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A very interesting Book  
R. L. Owen



# EXODUS FROM POVERTY,

OR

# THE OTHER ECONOMICS

BY

AMOS NORTON CRAFT, D. D., Ph. D.

Author of "Epidemic Delusions", Etc.,  
Etc., Professor of Economics and  
Analytical Psychology.

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## FOREWORD

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The writer of this book was endowed by nature with an original and logical mind of unusual power. His library was immense and he was a catholic and discriminative reader. His favorite books included all the greatest treatises on government and economics. This book, *The Other Economics*, was the crowning work of his life, though he did not live to put it in final literary form. This accounts for certain inequalities in style and development of thought occasionally noticeable.

The Rev. William Henry Talmage, who kindly undertook to edit the manuscript, wisely decided that it was not best to change the verbal form in which this master-thinker had embodied his novel system, even though in a few instances only a rough draft of the argument was outlined. Assistance was rendered in the verification of references by The Rev. E. J. Craft and Mrs. Ernestine Craft Cobern, son and daughter of Doctor Craft.

### THE PUBLISHERS.

P. S.—The reader should bear in mind that the Author died August 30, 1912. This will explain some sentences which the European war has now changed into past history and entitles the Author to even greater regard.

## EDITOR'S PREFACE.

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The startling new truths of Doctor Craft are many, and his arguments destructive to theories now dominating the minds of the average statesman, teacher and reformer; on this account, we can scarcely hope that his valuable work will become immediately popular.

The Author stands alone—a John The Baptist—crying in the wilderness against *the* tremendous economic blunder of the race.

The Other Economics, which we have taken the liberty of also naming, Exodus from Poverty, lays the foundation for a real science of Economics. We may now understand the cause of poverty and realize the direction to take if we would escape its ravages.

Being more or less conversant with the philosophy of the deceased Author, we are ready to reply to any criticism that may be brought to our attention, or to communicate with persons interested in this new message to humanity.

We have accepted the office of Secretary to The Other Economics League, (a non-partisan and non-sectarian organization) the purpose of which, at present, is to act as a nucleus around which favorable sentiment, relative to the Craft plan of a Government Economic Experiment Station, may gather for practical aims. The reader, therefore, who is convinced of the value of The Other Economics is invited to communicate with the Secretary.

THE REV. WILLIAM HENRY TALMAGE,  
Secretary of The Other Economics League, Chairman of  
Social Service Commission of South Dakota, Flandreau,  
South Dakota.

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## CONTENTS

---

|                                         | PAGE |
|-----------------------------------------|------|
| Foreword . . . . .                      | 3    |
| Editor's Preface . . . . .              | 4    |
| Some of the Sources of Information..... | 5-6  |

### PART FIRST

#### *The Present Economic System*

### CHAPTER I

#### PRICES AND SCARCITY

|                                                                                                                                                                                                                                                         |        |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| The cause of poverty—The resulting system of economics—Proof descriptions from orthodox text books—Demand and desire for goods not the same—Effect of competition—Money value the measure of the increase of scarcity—Analysis of money value . . . . . | 13- 19 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|

### CHAPTER II

#### PRICES AND SCARCITY—CONTINUED

|                                                                                                                                                                                 |        |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| Statement of English Economist—Destruction of products—Labor as a commodity—Relation of wages to scarcity—Monopolies—The prosperity before a crisis—Rent and scarcity . . . . . | 20- 24 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|

### CHAPTER III

#### COMMON ECONOMIC DELUSIONS

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| Save as much as possible—Save and rent money—Become an employer—Back to the farm—Avoid idleness—Become intelligent and skillful—Strike for higher wages—Be honest—Single Tax—Elimination of Middlemen—The Minimum Wage—Trusts—Foreign Immigration—Protective Tariff and Free Trade—Foreign Trade—Morality of Working Class—Profit Sharing—Government Control—Government Ownership—Present Socialism—Communism—All rules of business unworkable for the majority..... | 25- 49 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|

## CHAPTER IV

## PRESENT PRODUCTION

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| The daily per capita production—Per capita income from farms and factories—Fictitious wealth—The day of small things—Analysis of a panic—Products independent of money value—Products not affected by exchange—The object of trade—Products of labor redefined—Present system adjusted to the principle of increasing distress—Selfinterest and righteousness—New definition for wealth—Money and superstition—The orchard illustration—The rich man—The evil doctrine of class-hatred ..... | 50- 66 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|

## CHAPTER V

## PROFITS

|                                                                                                                                                                               |        |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| Profits not the cause of poverty—Profits in industrial combinations—The average "watermelon"—The sugar trust—Profit from transportation—Profits in agriculture—The real enemy | 67- 72 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|

## CHAPTER VI

## WAGES

|                                                                                                                                                                                                                                                                                                                                                                                                                      |        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| The effect of the increased productivity of labor—Sewing women—The cotton gin—Poverty of those in the cotton industry—The steam-ship and stokers' wages—Iron and steel—Wages in Europe—American tenements—Japan—Meat packing—Effect of occasional employment—Wages in relation to standards of living—Conclusion of Froude—Wages in former times—Cause of our nominal high wages—The per cent. without property..... | 73- 84 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|

## CHAPTER VII

## RESTRICTED POWER MACHINERY

|                                                                                                                                                          |        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| Its powers if it could be introduced—Little used in Agriculture—Little used in Manufacture—Possibilities under a right system—Its present incentive..... | 85- 90 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|--------|

## CHAPTER VIII

## THE IMPENDING CRISIS

|                                                                                                                                   |        |
|-----------------------------------------------------------------------------------------------------------------------------------|--------|
| The displacement caused by steam-power—The vast work which it afforded—The job about finished—The dilemma of the unemployed ..... | 91- 97 |
|-----------------------------------------------------------------------------------------------------------------------------------|--------|

*PART SECOND**The Other System*

## CHAPTER I

## THE OTHER ECONOMICS

The two principles of economics defined—Both might be crude or highly evolved—Only the destructive principle has ever been tested—Co-operation and competition common to both principles—Blindness of some Socialistic thinkers—Essentials relative to the new system—An economic system not related to the morals of people—The constructive principle consistent with the ethics of religion..... 101-108

## CHAPTER II

## THE OTHER ECONOMICS—CONTINUED

An outline—Donation of labor and products—New definition for Capital—Distribution by the rule of the common good—Expert aid from the Government—People are not their own—Individuals are not producers—The kind of poverty now prohibited by law—Wealth a virtue—Impossibility of over-production—The public benefaction—Its consistency with the claims of Jesus..... 109-121

## CHAPTER III

## OUR RESOURCES

Cotton—Flax—Wool—Food—Chemical fertilizers—Productivity of water for food—Game farming—Cattle by the factory plan—Coal deposits—Peet—Oil and gas—Alcohol for light and heat—Electricity—Wind—Sunlight—The new water wheel—Iron—Copper—Lumber . . . . . 122-130

## CHAPTER IV

## LABOR SAVING MACHINES

Hard labor not needful—Fall River—Canning—Ore machines—Farming implements—Men and machines compared with men of former times—Automatic machines—Panama Canal 131-140

## CHAPTER V

## ELECTRIFIED FARM AND HOME

Farm in Clinton County, New York—The powers of the motor—Electrified farm at Minot, Maine—A servantless palace—A modern kitchen—The culinary college..... 141-146

## CHAPTER VI

## PRODUCTION OF FOOD

|                                                                                                                                        |         |
|----------------------------------------------------------------------------------------------------------------------------------------|---------|
| Number of men required for wheat—Oats—Indian Corn—<br>Potatoes — Seeds — Vegetables — Butter—Milk—Meat—Eggs<br>and Poultry—Sugar ..... | 147-160 |
|----------------------------------------------------------------------------------------------------------------------------------------|---------|

## CHAPTER VII

## PRODUCTION OF CLOTHING

|                                                                                                |         |
|------------------------------------------------------------------------------------------------|---------|
| The number of persons required for cotton—Linen—Wool—<br>Sewing—Shoes—Lace—Millinery, etc..... | 161-167 |
|------------------------------------------------------------------------------------------------|---------|

## CHAPTER VIII

## MINING

|                                                                                                                       |         |
|-----------------------------------------------------------------------------------------------------------------------|---------|
| The number of persons required for mining coal—Coke—Drilling<br>for oil—Mining structural—Abrasive—Chemical, etc..... | 168-171 |
|-----------------------------------------------------------------------------------------------------------------------|---------|

## CHAPTER IX

## TRANSPORTATION AND DISTRIBUTION

|                                                                                                                                                                                                                                                                   |         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| Automatic conveyors—Cars loaded by machinery—Automatic car<br>lines—Concrete tubes—Automatic waiters—Mechanical stokers<br>—Floating cranes—Automatic signals—Automatic stores—<br>The inefficiency of the present system—Plan under The<br>Other Economics ..... | 172-181 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|

## CHAPTER X

## TOWN BUILDING

|                                                                                                                                                                         |         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| Tree-felling machinery—Automatic lumber machines—Cement in<br>the place of wood—Automatic moulds—Suggestions of Mr.<br>Edison—Grading—Trench digging—Rock crushing..... | 182-189 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|

## CHAPTER XI

## WEALTH AND LEISURE FOR ALL

|                                                                                                                                                                                                                                                                                                      |         |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| Making of machines does not provide employment equal to that<br>displaced—The canthook—The steam engine—The sewing<br>machine—The present per cent. of inefficiency and poverty—<br>Bounties of nature sufficient for wealth for all—Applied<br>science ample—Methods by which to obtain wealth..... | 190-196 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|

## CHAPTER XII

## THE MENTAL AND MORAL POWERS OF THE POOR

|                                                                                                                                                                                                                                                                                                                                                                                                                               |         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| Cruelty of popular opinion—Powers of poor in relation to the use of money—All equal in reasoning faculties who are normal—Slums in relation to propagating slums—Absence of hereditary divisions of society—The new compound—Present repression of individual talents—Diary of a farmer's wife—Some advantages to state in wealth for all—Babies not loafers—Present system and rebels—The relation of income to morals ..... | 197-208 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|

## CHAPTER XIII

## MORAL RESULTS

|                                                                                                                                                                                                                                                                                   |         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| Blindness of false philosophy—The burglar—Gradual starvation in relation to sentiment—Moral philosophy of the burglar—Cause of most suicides—The immorality of the present system—The girl in the slums—The effects of the abolition of poverty—A new vision of Christianity..... | 209-217 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|

## CHAPTER XIV

## AN OBJECT LESSON NEEDED

|                                                                                                                                                                                                                                                                                               |         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| The urgency of doing something—Theories not accepted until demonstrated—Safeguards—The timeliness of a Government test—All men ready—Superiority of character to business rules—Nature of the object lesson—Its interest to Socialists—Tactics—The danger of any other than a Government test | 218-224 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|

## CHAPTER XV

## THE GOVERNMENT ECONOMIC EXPERIMENT STATION

|                                                                                                                                                                                                                                                                                                                                                                                   |         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| Reasons for station—Purely business—Power to enforce rules—Explanatory—A reverse economic principle evolving reverse business rules—Not subject to a majority vote—Expert supervision—Civil Service tests—Inducements to enter—Size of first unit—Its symmetry—The cost—Special aids given by Government—Locations—Employment for all—The adjustment generally if successful..... | 225-238 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|

PART FIRST  
THE PRESENT ECONOMIC SYSTEM

*The Struggle to give Little  
is the  
Cause of Poverty  
of Competition & Economic Anarchy*

## CHAPTER I

### PRICES AND SCARCITY

There can be no further progress of the race until the cause of poverty is apprehended and abolished.

We are at present in grave danger of becoming so much engrossed in vain efforts to heal the multiplying wounds of poverty that our age of civilization will topple and fall, as others have done, before we are able to strike the evil at its source.

#### *The Cause of Poverty*

Can two men, all things being equal, get much from each other while struggling to give little?

Will not both remain in a state of poverty even though surrounded by inexhaustible bounties of nature?

Is not the effect the same when men are a multitude?

The attempt to attain wealth under the principle of *giving little* defeats the aim. It establishes competition and economic anarchy; produces concentration, as men plus machinery become unequal factors; and evolves a system perfectly adjusted to scarcity and its perpetuation from which there is no escape for the majority as long as that principle survives.

The microbe of poverty lurks in the principle, that each unit of society shall give as little as possible to collective society, in all matters pertaining to the production and distribution of the means of existence. XX

#### *The Resulting System*

The present economic system began as an adjustment to scarcity when men were ignorant of the bounties of nature and

the powers of applied science and, like lower animals, began to engage in a competitive struggle for existence.\*

*A system of business which is an adjustment to the scarcity of things desired is not workable unless that scarcity is perpetuated.* Therefore the production and distribution of the common necessities—enough for all who assist in producing and distributing them—is and always has been and always must be impossible as a business enterprise under the existing economic system. If this ideal is to be reached and those evils which now menace the Church, State and Home be suppressed, there is but one remedy: the present system of economics must be abolished. Compromises with it will but prolong our social agonies.

That so-called economic science which only attempts to examine our present economic system commenting upon certain modes of industrial warfare, may be counted trustworthy as far as it goes; but it does not include the “cause” or the “cure” of poverty within its survey. In all university text-books on economics, statements similar to the following may be found:

Scarcity of things desired is the one objective condition of value.

Exchange in the usual economic sense is the transfer of goods by two owners, each of whom deems the goods taken more than the value-equivalent of the one given.

Where a two sided competition exists, the bidding goes on until a price is reached where the least eager seller and the least eager buyer have the narrowest possible motive for exchange.

In a group of consumption goods, all of the same quality, the marginal utility declines as the quantity increases. If there is a remarkable potato crop, potatoes fall in value.

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\*Prof. Alfred Russell Wallace's book "Social Environment and Moral Progress" has appeared since the death of Dr. Craft and contains some statements of views strikingly similar to his. Such statements are welcomed as showing how another mind working independently felt the need of a new system of economics; though unfortunately the aged scientist failed to see the "root-cause" of the evils which he has so vividly depicted and therefore failed in the application of the correct remedy.—W. H. T.

It may be of advantage to the seller to destroy a part of the supply when the increased price of the smaller amount will give a larger total.

Monopoly is such a degree of control over the supply of goods in a given market that a net gain will result to the seller, if a portion is withheld.

Demand is the desire for goods united with the power to give something in exchange.

Demand tends to diminish as the price increases.

Rent may be defined as the value of the scarce uses of wealth during a given period.

The wage system is the organization of industry wherein some men owning capital buy at their competitive value the services of men without capital.

Money-wages are paid out of money received for the product, and this amount, after allowing for the upkeep of capital and other necessary expenses, is the superior limit above which wages cannot permanently rise. The inferior limit below which wages cannot permanently fall is in general given in Ricardo's formula of "necessary wages". Laborers must have enough to live on or they will not live themselves; and enough to feed their children or their children will not live.

There is a temptation to invest capital in machinery in such a degree as to reduce the demand for the products of machinery. If one man tries to save he can do so; but if everyone tries to save, and to convert his capital into permanent investments a great many people will fail to realize their expected profit because of an overproduction of machinery.

The period leading up to a crisis is one of general prosperity.<sup>1</sup>

Quite a startling revelation is obtained by a close analysis of the above orthodox and standard descriptions. They form at once a terrible indictment of the present economic system. The general principle implied in all the above statements is that *"Scarcity of things desired is the one objective condition of value."* The subjective condition of value is in the subject, or

N.B.

<sup>1</sup> Modern Industrial Progress, Cochrane, p. 212 et passim.

13  
? person, viz: his *desire* for goods. The objective condition of value is the scarcity of the goods. Both of these conditions are necessary in order that anything may have a money-value. Goods which no one wants cannot be sold. If every one has all he wants of them they have no commercial value. If everybody has all he wants of the kind of goods offered for sale the goods cannot be sold. Therefore the scarcity of goods must be *permanent*, for otherwise the business of producing goods for sale could not be permanent. The scarcity of goods cannot be permanent unless the scarcity of goods is permanently endured by a portion of the population. *In order that prices may continue, a corresponding amount and variety of poverty must continue also.* Therefore in order to abolish poverty you would necessarily have to abolish prices which would abolish profits and wages, exchange and a scarce medium of exchange, which would abolish the present economic system—the very existence of which depends upon the perpetuation of poverty. Poverty cannot be abolished while prices for labor and products continue.

The “demand” for goods, under the present system of business, is not merely the desires of consumers and their willingness to work, although their labor may have produced the goods. One owns the desires and the other party to the proposed exchange owns the goods. The one will not regard the other’s desire as more than a value-equivalent for the goods which he is offering for sale. If you take your desires to a bank you cannot give them in exchange for money. They alone are not a demand. The law of “demand and supply” demands money, or something that can be exchanged for money; and people are scarce to whom money is *not* scarce. If it were not so, money would be worthless; for it is one of the things desired and the one objective condition of its value is scarcity. Everybody knows that inflated money is dangerous, and that if gold should become as plentiful as common earth, all business would be suspended until some other scarce medium of exchange could be discovered which would cause things exchanged to be sufficiently scarce.

*To give little means to get little -  
To give much means to get much - Ford + Mankin*

"Where a two-sided competition exists, and the bidding goes on until a price is reached where the least eager buyer and the least eager seller have the narrowest possible motive for exchange, the seller sells at the lowest price that will give him the least profit that will enable him to continue in business". For this reason, as a general rule, profits are small. The buyer also must have the narrowest possible motive for refusing to buy. About ninety per cent. of buyers are wage earners and farmers who pay themselves small wages. When such a consumer wants the goods the price must be made only so high for him, in proportion to his ability to buy, that he shall have the smallest possible motive for refusing to give money or goods in exchange for goods that he wants. (If he is a low wage earner, sufficient food and clothing and shelter to sustain life, must be so low in price, in proportion to his wages, that he has the smallest possible motive for refusing to buy them.) The other alternatives open to him are to become a beggar or a thief. If he is a high wage earner and is trying to buy a silk dress for his wife, the price must be only enough to tempt him to buy silk instead of cloth of lower grade. All consumers must have the smallest possible motive for refusing to buy. Consumption must be small. Therefore production must be small in proportion to the population, because goods that cannot be sold cannot be produced.

Competition between buyers and sellers, or producers and consumers, (each trying to get much by giving little,) causes the average man to give little and to get little. Small profits result in small wages, and small profits and wages result in small consumption which necessitates small production because of the small purchasing power of small wages and small profits.

The race, as yet, is an economic dwarf due to the restrictive power of our short-sighted grasping system.

"In a group of consumption goods, all of the same quality, the 'marginal utility' declines as the quantity increases," because the "utility" of goods is measured by their price in the market. Potatoes at a low price are not less useful for food, and are not

less desirable to hungry work-people in the city not far distant, who are not able to buy enough of them to supply their wants. When farmers have produced a so-called overproduction of potatoes they do not plant as many the following year. Then the greater scarcity of potatoes causes them to command a higher price. The difference in the money values was *not* in the potatoes, for the potatoes of the preceding year were not different in any of the attributes that belong to them. The increased value of the potatoes of the following year was not in the potatoes produced but in those which were not produced, or in the potatoes before which the minus sign should be placed. The increased money value was the money value of scarcity and the unsupplied wants of the *people* who wanted potatoes and could not buy them.\*

Money values are not measures of wealth. They measure poverty. The minus sign should be placed before the dollar mark. The money value of products, lands and all property as given in Census Reports shows the money value of the *poverty* of our people. Wealth for all, would cause wealth to have no money value. Money values fall in proportion as goods desired and produced are more nearly enough for all, while their money values rise in proportion as they are not enough for all. The money value of land, for instance, increases in proportion as the land is taken by private owners, and the number of people who desire land and cannot get it, increases. Therefore the money value is not in the land but in the *landless*. Its commer-

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\*During a recent year of so-called overproduction in the potato belt in Maine, a farmer produced one hundred and fifty bushels of potatoes which he permitted to rot in the ground because he could not sell them. The price was so low that no one could get wages digging them and hauling them to the market. The following year he produced but one hundred bushels which he sold for twenty-five dollars. This money does not represent the value of the potatoes for the greater amount of the preceding year had no money value. It does not represent the value of the wants of the people who are *able to buy* a sufficient supply of potatoes, for more people bought potatoes during the preceding year of greater abundance. The truth is apparent that the money value is the value of a minus quantity of potatoes and human wants which were unsupplied.

cial value depends on its "rental" value, which depends upon the number of the landless. So we find rent defined in substantially all standard text-books as "the value of the scarce uses of wealth during a given period."

Manifestly money values measure the degree of poverty endured by the average competitor for the ownership of goods. And money, which measures poverty, is a means of perpetuating poverty because money itself is scarce. One must get possession of something that is *scarce* before he can get common necessities for himself or family. If he gets possession of very much of that one scarce thing it will be still scarcer for other families.

Because the scarcity of things desired is the one objective condition of value "it may be of advantage to the seller to destroy a part of the supply, when the increased price of the smaller amount will give a larger total." The fact that multitudes are in want and seeking work is not a "demand." Therefore men must now either destroy a part of goods on hand, or do what is equally brutal in effect, suspend production until "consumption overtakes production." This is only another method of increasing scarcity and the prices of goods so that a smaller number of people shall be able to obtain them. The brutality is not in our individual business men or the "soulless corporations" which they form, but in the economic system which they obtained by inheritance from their savage ancestors in the cave and jungle.

To desire a further continuance of that system which damns the majority of the race to perpetual poverty and gnaws away the vitals of nations, argues a soul void of the spirit of his Maker and an intellect, in business matters, on a par with the jackal.

## CHAPTER II

### PRICES AND SCARCITY—CONTINUED

One prominent economist illustrates the foregoing principle as follows:

"If there are five hundred spinning mills in Lancashire where three hundred would suffice, the destruction of two hundred mills would no whit diminish the amount of real capital. If the two hundred mills were burnt down, though the individual owners would sustain loss, that loss, estimated in money, would be compensated by a money rise in the value of the other mills."<sup>1</sup>

The fact that many work-people in Lancashire are needing clothes (and are at work, or begging for work) would not give any money value to the two hundred mills that were destroyed. They would be needed, with all their distress, to sustain the money value of the three hundred mills that are still running. The amount of goods desired and *not produced* gives the money value to the mills and their product. This fact is evident when we remember that the mills and their product would have no money value if they were not scarce, and that they diminish in money value in proportion to their abundance. When the two hundred mills are destroyed the three hundred remaining would be equal in money value to the five hundred because of the greater number of people who would not be able to obtain sufficient supply of clothes. Therefore the money value is really in the *distress* of people and not in the mills. It is of vital importance that this grewsome genius of our present business system be clearly understood by all men who believe in the ethics

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<sup>1</sup> Poverty, Robert Hunter, p. 337.

of brotherhood or in the principles of religion. This is the block before the wheels of progress. Men cannot perpetuate "distress" six days of the week and relieve it on the seventh.

If by act of Providence, or conspiracy of farmers, farm products should be reduced by one-fourth, prices would rise in much greater proportion. The money value of the smaller product at a much greater price would be much more than that of the larger product at the former price. Census Reports and stock exchanges would show that our national wealth in farm products is greatly increased when there is less food and more people suffering hunger. The increased money value would be in the one-fourth *that was not produced* and the distress of the greater number of people whose wants were unsupplied. That would be the only change in things visible and invisible which could have any relation to the increased money values, or be measured by them. The increased wealth of the nation would consist wholly in its increase of poverty.

In London fish markets, sometimes a part of the supply of fish is destroyed in order that the remaining amount may bring a higher price and yield a profit. (This custom is becoming common in America in various vocations). The increased money value lies in the fish destroyed and in the unsupplied wants of those people who could not get them at the higher price. This is only another way of stating the law of the present economic system, which no university text-book on economics describing the present economic system, will dispute: "Scarcity of things desired is the one objective condition of value." By causing them to be scarcer we increase the price and the number of people who cannot get them.

Labor is a commodity. This is universally admitted. But did anyone ever see labor? What was its color, size and shape? What we have seen were *laborers* digging ditches and carrying burdens. We cannot detach "labor" from laborers and treat it as a separate being. "Labor is a commodity" is only a short way of saying, *laborers* are a commodity bought and sold

in the market. The commodity is still a commodity when it can talk and have something to say about the price at which it shall be sold. This is a law of the existing economic system. It is worse than brutal because we are human.

Therefore laborers are "a commodity" which capitalists buy at its competitive value. But laborers, in shop, school or pulpit, should not forget that they are indirectly buying and selling each other when they go to the store and buy goods, at the lowest possible price, which were made by other laborers who were bought at the lowest possible price.

Wages, or the price of laborers, fall in proportion as laborers are less scarce. The Black Death, which killed off a great portion of the working population of England, caused a temporary scarcity of laborers and increased their wages, or their price in the market. This was highly satisfactory to the laborers who survived. In Sparta, according to Plutarch and Thucydides,<sup>2</sup> when laborers became too cheap, the highly civilized rulers granted the favor to young men of the aristocracy to engage in the sport of killing unarmed laborers until they became scarcer and could be sold at a higher price. Those laborers were better fed and clothed when they became scarcer and their money value was increased. When cattle are excessively cheap the farmer does not feed them as much valuable grain. The lack of safety devices to protect the lives of work-people, unsanitary conditions in factories and tenement houses, drunkenness and vice, excessive labor and insufficient nourishment, or any other causes which shorten the lives of work-people and diminish their number, tend to increase their scarcity and prices; which higher price is very satisfactory to those who manage to survive.

"Monopolies seek to control the supply of goods in the market so that a 'net gain' will result to the seller, if a portion is withheld." The object of the monopoly is to cause a portion of the goods to be withheld in order that a less number of people

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<sup>2</sup> Plutarch, *Lycurgus*, Thucydides, *De Bello Peloponnesiaco*, liber iv, 80.

shall be able to obtain them. This malignity of design belongs to the existing economic system and *not to the owners of the monopoly*. They are aiming only to cause the greater scarcity which shall result in higher prices which will give them sufficient profits to enable them to continue in business, and give wealth to their children. These desires are noble. Every wage earner and small profit seeker withholds labor and goods when buyers offer too low a price. They, too, are monopolists to the extent of their abilities. A thief is not less a thief when his ability to steal is small. Both the big grasper and the little one deserve sympathy, because under the present economic system they are compelled to struggle to cause goods to be scarce for other people, in order that they may not be too scarce for their own families. Withholding labor and goods when there is not enough to supply the needs of all industrious people is criminal, however innocent the culprits may be.

“The period leading up to a crisis is one of general prosperity” because cheap money, or public confidence, increases the production and distribution of goods. The panic comes when there is what is falsely called overproduction, and there is too little scarcity and poverty. Prices, profits and wages fall in proportion as the quantity of goods in the markets increases. The falling profits and wages cause profit seekers and wage earners to refuse to continue to produce and distribute goods. The two classes of graspers, capitalists and laborers, go out on a strike, in an indirect way, to regain the former state of distress and poverty.

Scarcity of some few things desired may be caused by the unequal distribution of the sources of supply in nature. But such scarcity does not exist, except for a few luxuries, such as diamonds, which require an expert to distinguish them from the manufactured article. There is no scarcity of supplies in nature for the production of common necessities and most of the luxuries now enjoyed by the millionaire.

Scarcity of products may also be caused by the scarcity of

the kind of labor necessary to produce them. Power machinery is now capable of doing most of the skilled work in most industries. Sufficient skilled superintendence could be provided by giving opportunities for training experts, and by giving them sufficient inducements to encourage them to develop their talents. There is an inexhaustible supply of this kind of material, viz: men, women and children who are capable of becoming experts.

"Rent may be defined as the value of the scarce uses of wealth during a given period." Wealth must be scarce, at present, in order to be wealth. If everyone should own a home and continue to live in it, there would be no tenants and no rent paid by them to landlords. Interest on money is a form of rent which is the money value of the scarce uses of money during a given period. Capital is rentable property although it may not be rented, but is occupied or used only by its owner. If you own a farm, its commercial value depends on the amount of rent which would be paid by tenants for the use of it. Its commercial value to its owner depends on the poverty of other men in relation to the ownership of land. In like manner the poverty of the many and their willingness to work, gives commercial value to all real estate, all sources of raw materials, and all the means of production and distribution. All this is wealth in the commercial sense, only because it is desired and is scarce. If capital, having money value, is a good thing, poverty must be a good thing also, and everybody should religiously seek to, increase and perpetuate it for his brother—especially if his brother lives in China. To defend this business we need a powerful navy, because Europe also is engaged in foreign trade and is trying to get as much as possible by giving as little as possible.

*"Peace on earth, good will toward men"*—the plan of Jesus outlined by herald angels—and the inspired song of the Holy Virgin: *"He hath filled the hungry with good things"* are, after twenty centuries, sadly discordant melodies; alas, even among many defenders of the Faith!

## CHAPTER III

### COMMON ECONOMIC DELUSIONS

**"Save as much as possible."** If everybody should obey this advice and spend as little as possible in order to save as much as possible, only as little as possible would be bought. Only that little could be sold. Only that little could be produced or reproduced, for men will not produce goods that cannot be sold. Therefore if everybody should save all he could no one could save anything. Production would diminish until the whole population would be living in the most extreme poverty that could be endured. Let teachers of economics be thoughtful when they give this advice, and say what this advice really implies, that they desire their advice shall be obeyed by the few in whom they are especially interested and that it should not be obeyed by everybody, or even by the majority of the people.

**"Save as much money as possible and place it where it will draw interest."** If everybody was a money lender there would be no borrowers and no interest. Money would become worthless for its value depends upon rates of interest. Do these "Poor Richards" intend to destroy the present economic system by their advice or merely to give a "tip" to a few of their fellow citizens!

**"Be more enterprising and go into business for yourself, and make money by becoming an employer."** If everybody was making profits by becoming an employer of laborers, there would be no profits and no laborers or employees.

**"Let low wage earners in the cities move into the country and go to farming."** If all low wage earners should obey this

advice there would be fearful panic in the cities and in the country. The present economic system needs the suffering poor in the cities, and for that reason they are there. Cities have never been able to exist without them. They are needed to give money value to the possessions which they want, but cannot obtain. What would be the money value of the tenement house section of New York city, if there were no homeless work-people to be herded in them? What would be the effect on the interwoven and ever sensitive financial interests of the nation if all such real estate should become worthless? But this would be only the beginning of the disaster that would follow, if all low wage earners should leave the cities and go into the country to engage in farming. Most wage earners in the cities came from the country not only on account of the loneliness of country life, but also because they could not pay rent or interest on the mortgage. If they should go back to the country and by some means produce crops, there would be an "overproduction" of farm products. Prices for farm products would be so low that the average farmer, while having perhaps food, would not be able to buy clothes for his family. To some thoughtless people in the cities a low price for farm products and a high price for manufactured goods is greatly desired. They seem to imagine that the poverty and distress of farmers would not be shared by city people. Those city editors and financiers who think that this result is desirable are not common highway robbers. They are in the midst of commercial war and are only expressing a preference concerning what portion of the population shall be slaughtered.

The disaster to the city would be even greater than to the country. The multitude of low wage earners competing for work would no longer hold down the minimum wage from which wages and salaries grade upward. The cost of manufacture in the cities would be greatly increased and the rural population in their distress, on account of low prices for the things they must sell, could not buy the city products. The

present-day multitude of the occasionally employed in the city would no longer be there to be exploited during busy seasons. Indeed there would be no busy seasons. Mrs. Millionaire would be compelled to wash her own clothes, and her husband would be compelled to be his own ditch digger and drayman. Even the editor of the great Daily Universe, who gives this advice, and the great financier who owns the paper and the editor and the railroad which hungers to haul more farm products, would be compelled to be their own menial servants. No: they are not fools. They do not seriously desire that their advice be generally accepted. They only mean that if some *few* poor people should move to the country, in the right location, they might find what others moving away from the farm could not find, an improvement in their situation.

**“Avoid idleness.”** This also is good advice under the present economics, provided it is not generally obeyed. If everybody could and would go to work and keep at it ten hours a day, the owners of coal mines, for example, who can turn out as much coal in eight or ten months as they can sell in a year, would have on their hands after a year or two such an overproduction of coal that they would be compelled to sell below cost. They would become bankrupt and their employees would be thrown out of work even if they seized the property themselves. Most other industries are in like situation. If this advice should be generally obeyed there would be so great a reduction of “scarcity” and lowering of prices that profits and wages could not be obtained by continuing to produce and distribute them. To avoid this catastrophe, all labor, on the average, is compelled to be about one-fourth the time idle. When any portion of our population is added to the non-producing classes, and the aristocracy above the working class increases in numbers, there is more work for the working class. There is no difference in the economic effect of idleness simply because it is an hereditary privilege. If all aristocrats should go to work they could not be permitted to

increase the per capita amount of production of consumption goods, for, by so doing, they would cause the evils of "overproduction" and all its direful consequences.

**"Struggle to become intelligent and skillful."** This advice if universally obeyed would not diminish poverty, under the present economic system, and might be dangerous. However learned and skillful a man may be, when he goes to the store to buy goods, scarcity of the things desired by him, is the one objective condition of value; and goods would not be there unless such scarcity existed to give a profit to the storekeeper. If all work-people in all factories had all knowledge and skill, the factories could not run full time, or at their full capacity, without causing overproduction. The number of positions in which experts are needed would not be increased. About the same proportion of people would be doomed to the mind-killing monotony of unskilled tasks as now. Such multitudes of skillful and highly educated work-people, who would still be competing for a chance to work and support families on an average wage of one dollar and sixty-five cents a day (the average in 1910), many of whom could find employment at that low wage only a part of the year, would be likely to organize a rebellion, either with ballots or more deadly weapons, which Congress could not subdue. If the perpetuation of the present economic system is high-above-all-supremely-important, we should abandon democracy and our system of free schools.

If all men were college graduates and as pure as light, about the present proportion of them would be compelled to endure all of the present degrees of poverty in order to keep the wheels of industry moving, while men continue to demand *prices* for labor and products. Every factory that ever closed down teaches us this truth. Owners do not close or reduce the number of hands, or run on part time during a dull season, because they enjoy it. They do this because they cannot continue, until other people are enduring a greater degree of

poverty in relation to the products manufactured by them. If the present economic system is divine and must be preserved, the working class are already becoming dangerously intelligent.

**"Strike for higher wages."** This advice shows that the one giving it is sane, if he does not advise that his advice should be generally obeyed. A successful strike for higher wages in shoe factories alone, would cause the strikers to pay a higher price for shoes, but shoes are only one item in their expenses. With their higher wages they could buy more of other goods than before. They would be happy because all other work-people would be compelled to give them a contribution whenever they went to the store to buy shoes. But if all other work-people should strike for higher wages, and be successful, these work-people in the shoe factories would be compelled to pay a higher price for all other goods. Their higher wages would not then buy more than they had previously bought with lower wages. A strike, in order to be an advantage to the strikers, must be the plunder of the many wage earners by the few. A general strike, if successful, would increase all wages and would increase the cost of living in the same proportion, and real wages, or wages in proportion to the cost of living, would be the same as before.

**"Be honest."** That advice at least is generally obeyed. Most men are honest and will endure great privation rather than steal, when the theft is not in accordance with the generally accepted code of honor required by the present economic system. Mere honesty, however, adds nothing to wages and salaries. If honest men were very scarce, an honest employee would be able to command very high wages.

**Single Tax.**—The advocates of this theory would tax vacant land as much as if it contained a home, store building, factory or other improvements, and they would not tax the improvements. Then they believe that men would not desire to own land for the purpose of keeping others from it until they could

sell it for a high price. Thus it is believed all vacant land would become government property and anyone could get possession of it by paying the tax. It is asserted that more soil would be cultivated, more mines would be developed, more homes would be built and factories would be multiplied. The advocates of the theory would continue the use of money, prices, profits and wages. They do not propose to abolish the present economic system.

This delusion is attractive to a man looking at a vacant lot in his neighborhood. It would be much easier for him to build and own a home if he did not have to pay a high price for that lot. As a *special privilege* for him and a few men this arrangement would be very desirable. If he should build a tenement house on that vacant lot, the price of the property would be about the same as now and he could get as much rent from tenants, provided he could enjoy the special privilege of owning the vacant lot by paying the government tax. But, if the mental vision of the single-taxer would extend far enough beyond himself to see the rest of mankind, he would see the absurdity of his theory. For, if all should have the privilege of owning vacant land and proceeded to place improvements thereon, he (the single-taxer) could not sell his improved property for more than the price of the improvements. The market valuation of all real estate would fall in proportion to the cheapness of land.

The rental value of his home, factory and tenement house would fall, if the greater cheapness of land would cause more of them to be built. They would not bear as large mortgages; he could not borrow as much money on them. The tenants in his tenement house would pay less rent in proportion to the greater abundance of tenement houses. With regard to land and improvements on land and all things desired, the price depends upon their scarcity. Under the present economic system (which depends upon prices and scarcity) a fearful panic occurs when scarcity and poverty are tending to diminish for the majority of the population.

Has the reader not noticed that the surface of the ocean is without price and free to all who desire to occupy it! And that on the ocean the places of shelter for steerage and first-class passengers are as different as they are on land! If the whole surface of the earth should become as cheap and free as the surface of the ocean, (while the products of labor are produced and distributed under the system of prices, profits and wages), there would be all the varieties of wealth and poverty which are existing now. The hungry cannot eat land. The price of bread and meat falls as their quantity in the market increases. When there is too little hunger among the under classes, both capital and labor, employed in the bread and meat industries, go out on a strike (in effect) and refuse to work until bread and meat become scarce and more people are unable to obtain sufficient nourishment.

If, for example, the tax on unimproved potato land in the potato belt in Maine and New Brunswick should cause its present owners to give it to the government, and, if many people should be tempted to occupy it and live in tents and dugouts to produce potatoes, they would soon be in great distress. The scarcity and price of potatoes would be so diminished that thousands of bushels would be left in the fields to rot, unsold.

This often occurs there now (and elsewhere) although multitudes of toilers in nearby cities need the potatoes. These extra potato farmers could not get money enough to buy other foods, clothes and building materials. The government would evict them because they could not get money with which to pay the single tax. The situation would be the same in all other industries were the single-tax principle applied. Meanwhile the big capitalists of the whole nation would be in a panic because of the withdrawal of the "occasionally employed" to become their own employers. The scarcity of laborers would increase wages, wipe out profits and drive capitalists into bankruptcy, and throw their employees out of employment; or, it would draw the laborers back from the farms to the factories and con-

gested centers and to present conditions—or worse. If by some magic, single tax should enable every family to own comfortable homes, comfortable homes would have no rental value. They could not be sold for enough money to pay the government tax on them. It would, in the end, bankrupt the government. The single tax delusion can do nothing to prevent the Impending Crisis. There is no relief for the working class while the present anti-economic system continues.

To the average individual, the present amount of taxation would be insignificant, if he was not in a condition of poverty where every penny counts. The advocates of the single tax must believe that the day of small things shall forever continue; since the readjustment of the expenditure of a few cents per day, per capita of the population, is the only economic salvation which they can promise.

**The Elimination of Middlemen.**—It is true that labor is wasted by middlemen; but, waste of labor is everywhere. The present economic system demands it. The inexhaustible labor power of steam and electricity is being wasted wherever it is idle, and wherever, with our present knowledge of applied science, it could be employed. We will show in Chapter VII, Part I, and Chapter IV, Part II, that machinery might be employed to do practically all manner of labor. But it is comparatively idle, because it cannot be permitted to interfere with the normal amount of scarcity, upon which prices depend. Under the present economic system it seems wise to waste a vast amount of labor; therefore we should not fret if a good amount of labor is wasted for us by middlemen. They render a service to all of us by keeping themselves out of mischief and helping us to avoid the awful consequences of overproduction in the presence of the unsupplied wants of those whose toil has produced the goods that they cannot buy.

Do middlemen cause goods to be scarce by handling them? If they do not, they do not affect the price of goods. The price would be the same if there were no middlemen. The present

economic system is a system of special privileges. When the reader thinks of a rule of business, let him think also of what its effect would be if applied to all men.

If a few families in the city unite to buy apples by the car load, directly from farmers, they can buy them at less than retail price in the city. If some farmers arrange to ship apples directly to some families in the city they can get a higher price than is paid by the middlemen. This narrow and self-centered view creates the delusion that, the cost of living would be less for all consumers and that prices would be higher for all producers, if all middlemen were thrown out of their present employment. The Farmers' Alliance, however, is not organized for the purpose of causing foodstuffs to be cheaper for consumers in the city, but to increase the selling price for farmers. Consumers' Leagues in the city are not organized for the purpose of paying higher prices to farmers and other producers. These organizations are demanding lower freight rates which would impoverish railroads (whether governmentally controlled or otherwise) and cause their employees to strike for the privilege of a decent existence. Should all middlemen be eliminated and all producers and consumers deal with each other, directly,—the former demanding the highest price the market will bear, the latter paying the least possible price,—the compromise price would be only high enough to cause producers to continue to produce the goods, and low enough to cause consumers to continue to buy them. That is what is occurring now. The middlemen get a living out of the products they handle and we have not heard of anyone who proposes to kill them. If they should be suddenly put to death, the present quantity of goods in the markets would be greater in proportion to the number of the population; prices would fall; production would halt until "consumption overtakes production", and the former degrees of scarcity of goods in proportion to the population should be restored. This would be the situation if there were no middlemen.

The millions of middlemen, including all who are directly

or indirectly employed by them, turning to producing shoes would cause a tremendous "glut" in the shoe business. As a rule, shoe factories now cannot run at their full capacity, and often have to still further limit their output to hold up the prices and scarcity of shoes. Considering any other occupation, the effect would be the same. If they should become common laborers, competing for a chance to work, their distress would cause them to underbid the lowest wage and to increase the number of unemployed and of the occasionally employed, beyond the needs of capitalists in the busy seasons. Being of more than ordinary intelligence, they would manage bread riots much more effectively than they are managed by hungry low wage earners now. Under present conditions, (adjusted to prices, profits and wages), middlemen and those who are directly and indirectly employed by them do the least possible harm in their present occupation. Some of them are quite comfortable, haunted only by the ever-present fear of being driven out of business by their competitors, into poverty and unemployment. Why should we desire to increase their trouble, when it would not diminish our own! The elimination of middlemen cannot save us in the Impending Crisis.

**A Minimum Wage and a Higher Standard of Living.—**  
"Increase wages; and establish a minimum below which they shall not be permitted to go!" Each man sees that the special privilege of enjoying high wages, while paying low prices for everything he buys, would be an advantage to himself and family. But he forgets that he and his family are not all mankind; and that if all prices were much reduced for all buyers, there would be a universal strike against a great reduction in all wages, and there would be panic, riot and bloodshed which would become uncomfortable to his home circle.\*

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\* [If one seriously believes that a minimum wage law or any kind of legislative control or regulation of either wages or the cost of living can lessen poverty for the majority, let him read how it has been tried and found utterly worthless no longer ago than 1601 in England. (See *Six Centuries of Work and Wages*, Thoroold Rogers, pp. 414 to 441).

Not only minimum wages, but all manner of wages and prices for both labor and products, must be *abolished*—if we would save ourselves in the Impending Crisis.

The steps by which to accomplish this vast reform are described elsewhere in this book.

**Trusts.**—Labor, is one of the commodities offered for sale in the markets; and labor trusts are compelled to imitate the other trusts. The price of the commodity, named labor, goes up and down in obedience to the law of prices which governs swine and the foodstuffs that fatten them. Labor and pork are desired commodities, and their price advances when the quantity offered for sale in the market diminishes.

Labor trusts, like other trusts, may lessen the cost of producing their commodity by spending less for food, clothing and shelter, and thereby get a margin of profit between the cost of production and the selling price. If they should all do this, it would not be long until the capitalist trusts would see an opportunity to increase their profits, for a time, either by directly paying less wages, or indirectly charging higher prices for goods; thus diminishing wages by increasing the cost of living. Capital, of course, would finally defeat itself in this attempt to increase profits, although it would hold down wages. When the purchasing power of the *many* is reduced, the selling power of the *few* is also reduced; for they cannot sell more goods than can be bought.

The trusts not only seek to reduce the cost of production, but they find it necessary to limit the output. When there are too many factories producing a given commodity the trust procures the factories and throws some of them upon the junk-heap. Thus they limit the output, and prices rise on account of the

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While consenting to a system of economics which is an adjustment to scarcity, and, which will not permit more than 95 cents worth per capita daily ration of products to be produced and distributed without causing "overproduction" and a relapse, it ought to be self evident that poverty must be endured by the majority.—W. H. T.].

increased scarcity of that commodity. Labor trusts must also imitate the other trusts when prices for their commodity are falling on account of its quantity in the market. The labor trust must diminish the output. The commodity, called "labor," must become scarcer in order to command a higher price.

But, work-people cannot cause their labor to become scarcer without becoming scarcer themselves. They must have a chance to work in order to live. War, riots, dissipation, suicide and crime would diminish the number of work-people for sale in the labor market; this would bless the survivors; for it would enable them to sell themselves in the labor market at a higher price.

If, in the Impending Crisis, half of the working class should slaughter each other, because of their disagreement concerning the method of getting common necessities, they would give the only relief to the other half of the working class which is possible, under the present economic system. The real wages of the survivors would be increased, for a time, on account of the scarcity of working men.

**Restrict Foreign Immigration.**—Certainly. While we are under the present brutal system of economic anarchy, we should keep out foreign labor; for an essential condition of the market value of labor, is its scarcity. Labor has been scarce in this new country of America, compared with the older countries, and has therefore commanded a higher price. Drive back the suffering multitudes of "pauper laborers!" If they continue to come here they will produce more goods than they will be permitted to consume! Thus they will increase the quantity and lower the prices of goods in our markets, and thereby indirectly lower the wages of all of us who help to produce them. And they will underbid us for a chance to work until we would quit our jobs rather than to endure their lower standards of living. If the incoming tide of foreign immigration is not regulated so as to come more slowly,—that we may become accustomed to being "pauper laborers" ourselves,—men will break many win-

dows and heads with brickbats, and blow up many buildings with dynamite, and thus cause the whole country to become more wretched than before!

For the same reason, we have been compelled to keep out of our industries (especially those industries which produce consumption goods) *most of the steam and electricity* which have been offering their services and are more than equal to all the power of all the foreigners on earth. They, like foreign immigrants, would have thrown us out of our jobs and have compelled us to further underbid each other for a chance to work and live. Chinamen, on the Pacific Coast, have been mobbed, who, in their poverty and distress came seeking work, and who must underbid us, if they overcome the disadvantage of their foreign tongue and ways. We act like brutes! but a brutal economic system compels us to do so; when they are added to the number of work-people we are not as scarce as we were before, our price in the labor market falls, and we have wives and little ones for whom we are willing to die and whom we would defend against all the world. For that reason, (i. e. the sacrifice for loved ones) men are infinitely nobler than their system of business.

Working men once opposed the introduction of steam power into manufacture for the same reason that causes them to object to the importation of foreign labor. They ceased to destroy machines when they observed that the tremendous change of the transportation facilities and the change to a "factory system" afforded an opportunity to work. It did not concern them to know that such a job, though vast, could be finished.

In the chapter on The Impending Crisis we will show how the labor, displaced by steam power, was re-employed without causing a collapse of the present economic system; and that it did not increase the average amount of consumption goods distributed among the common people. Around labor-saving machinery, men will again be found contending; for, in its

construction, they have displaced themselves more effectually than an army of foreigners could.

Under The Other Economics, as we shall explain in other chapters, there would be an unlimited demand for more labor-saving machinery and more laborers to shorten the hours of labor, and a way provided for the employment of both.

**Protective Tariff and Free Trade.**—There is free trade in labor and the introduction of labor-saving machinery into industries; therefore protective tariffs for capitalists, do not protect work-people in general. This whole controversy relates to a very small matter. Our foreign trade is insignificant when the interests of the whole population of our land are considered.

**Foreign Trade.**—This is a costly delusion. Because of it armies and navies exist. A dispute between two Christian (?) civilized nations, over a very little foreign trade, is liable to cause war in which battleships, each costing over a million dollars and thousands of cheap men of the working class destroy each other. The free traders who are financially interested in the bloody quarrel, and the money kings, who finance the hellish enterprise, sit in their splendid homes and offices, far from the danger, and read the latest news from the distant scene of destruction and watch its effect on the stock exchange. This entire business is mostly an heredity insanity—except for a few men. Let the reader consider the following parable:

Once two men were left alone on an island in the midst of the ocean. Each of them had a thousand dollars and a year's supply of all needed goods. They decided to live on opposite sides of a river that flowed through the island, and to make money by trading with each other. They built a boat and engaged in trade—each of them exporting and importing goods across the river that separated them. One of them, who greatly loved money, managed to get a cash balance of trade in his favor at the end of each day. The trader on one side of the river was daily getting more money while having less goods. The other

was daily getting more goods, but his money was diminishing. So they grew rich in trade! The one increasing in money and the other in goods; until at the end of one hundred days the trader on one side had *all the money* and the other had *all the goods*. The one who had all the goods was penniless,—but comfortable. The other was rich in money which he could not eat or use for clothing, and so he died as the fool dieth.

The devotee of Mammon did not know that the “daily balance of trade in is favor” was *not* a sign of increasing prosperity, but, a sign of increasing poverty. If this river is widened until it is the ocean, and if these men are two nations, the results of foreign trade as far as the majority is concerned, are the same.

Some foreign exchange is demanded by brotherly kindness between nations, on account of the unequal distribution of the bounties of nature. Very little of the present exchange of products between nations is needed on that account. Our nation has the sources of life and wealth within its own borders, and it is not engaged in foreign trade for the benevolent purpose of saving foreign nations the trouble of developing their own resources. And our nation, i. e., the big crowd, is not engaged in foreign trade. A few capitalists who are engaged in that business are not our nation. The boys who work naked in bleaching vats in some of our textile mills are not engaged in foreign trade, although, some of the goods they are helping to produce are traded in foreign countries.

The total amount of foreign trade is insignificant when compared with the total population. Ten per cent. profit on the foreign trade of the United States in 1910 would have amounted to only about a half cent a day per capita of our population. Men cannot find a safe investment where they can get a guaranteed ten per cent. profit in any ordinary business. That profit on foreign trade, even if it existed temporarily, would draw the world's money into it until the profits would fall. Nations cannot and do not make money out of each other by foreign trade.

A few individuals, only, make the profit at the expense of the multitude. A few capitalists in our country who are engaged in foreign trade, for example, export cotton and trade it for silk; but the average cotton grower does not get any of the silk; he gets only a little money, barely enough to enable him to exist and grow cotton. The profits on foreign trade are obtained out of the toil and poverty of our own work people. The profit *does not come out of foreigners.*

However, most of the bloody battles between Christian nations have been fought over that *fraction of a cent.* It occupies the center of the stage in politics. Politicians juggle it until, in the eyes of the people, it is changed from minus to plus and marvelously magnified. They promise that if elected to office, they will cause it to greatly enrich the nation and that workingmen shall have a share of it. The politicians seems to be like monkeys; unconscious of the meaning of the play, managed in the interest of a few financiers, and seem to be prompted primarily by the hope that their own unsatisfied wants shall be better supplied when they are elected to office.

They are not fools! Neither are the few financiers who manage them. Many of them temporarily abolish poverty for themselves, but not the *fear* of becoming poor. The working class act like fools by being deceived by them—world without end—bearing all the expenses and shedding their own blood when the managers desire it to change market quotations in the stock exchange. But there are certain indications that the common people are becoming dangerously intelligent. Further juggling with that fraction of a cent, (taken indirectly from them by means of foreign trade), cannot forever deceive the work-people nor save us in The Impending Crisis.

**Let the Working Class Become More Efficient.**—Capitalists preach this gospel of efficiency with increasing zeal when they are preparing to throw a part of their employees out of work and slow down "until consumption overtakes production." While the factory continues to run, the owner can get more profit on

goods, per piece, if wage earners turn out more goods in a given time and thus reduce the labor cost of the goods. The owner of the factory could by this means undersell rivals and drive them out of business and get their trade away from them; provided, the employees of other like factories do not become equally efficient.

Labor Unions object to what is known as "speeding," because they know that if they should turn out more product per day it would shorten the intervals between the periods of so-called over-production, when many of them are thrown out of employment. If a factory may run at less than its capacity, to avoid losing profits, (by producing too much goods for the market), why may not factory hands run at less than their full capacity, to avoid unemployment and loss of wages? There is something devilish in this gospel of efficiency! excusable only because we are in subjection to a subhuman economic system.

**Let the Working Class Become More Moral.**—This economic delusion is popular in wealthy religious circles of society. If all working men should exclude strong drink and hats from their standard of living, the demand of capitalists for "more profits" and "less expense" would still continue. Working men, driven by their own wants, would underbid each other until wages would be reduced equal to the amount previously expended for strong drink and hats. The most pious see no sin in buying goods (from foreign countries) which are cheaper than they otherwise would be because the toilers who produce them used neither strong drink nor hats. They see no sin in buying goods at a bargain; although the greater their bargain in cloths, for example, the less the merchant must pay for the production of clothing; and the less the poor working woman receives for her stitching, the less her standard of life becomes—no matter how high her morals may be.

If *more* workmen were drunkards the economic effect would be that the wages of total abstainers would be increased. They would be scarcer and their services would bring higher prices.

Every workman who is a temperance reformer is unconsciously trying to reduce his own wages; but it is the present economic system that is immoral. It being adjusted to perpetuating poverty and scarcity, the morals of men can no more reverse its evil effects, than simple goodness can propel an automobile forward, when it is adjusted to a reverse gear. The intelligence of men, however, if directed toward reversing the root-principle of present economics, as we shall suggest in this work, could reverse the present evils of society arising from economic sources.

**Profit Sharing.**—We will show in the chapter on Profits that the total average profit made by capitalists is too small to perceptibly relieve the masses, if equally divided among them. Under a universal system of profit sharing, the real profit which goes to capital would not be diminished. Normal profits would be increased by the amount taken from wages and returned to wage earners, under the name of profits. If everybody is getting profits, everybody is getting profits out of *himself*. He cannot grow rich by taking something from himself and giving it back again. The scarcity of goods would still be necessary to maintain "prices", out of which must come both profits and wages.

**Government Control.**—Government control of industries could not increase the *quantity* of goods offered for sale in the markets without lowering prices, profits and wages. It is common knowledge that Capital and Labor refuse to work when profits and wages are much reduced. This delusion leaves the increased quantity of goods to rot in the places of storage, unsold; while the former proportion of toilers are in distress because they cannot obtain them. If the government could fix a minimum wage from which other wages grade upward, the greater cost of producing and distributing goods would be added to their prices, and wages, in proportion to the cost of living, would be the same as before.

The Almighty Himself could not so control the present economic system as to mitigate its evil effects. He would

doubtless abolish the system and adopt another which would be adjusted to the opposite principles,—that of producing goods for use and not for a selling price. And this course, alone, will remedy our confused and blundering system of industrial warfare.

**Government Ownership.**—Under the present economic system, government ownership of the means of production and distribution could not diminish the poverty of the working class. Giving steady employment to all, and producing enough common necessities for all who labor, would throw the government into a panic. Common necessities would not be scarce enough to command a price. Profits and wages cannot be paid by magic. If common necessities could not command a price, the government, without income, could pay no wages. If they continued to be produced and distributed men would have to work without wages. The whole work of producing and distributing goods would have to be *donated*. That would destroy the present economic system. After a comprehensive survey of all economic experiments, under the present system, reaching back to the earliest period of recorded history, we are of the opinion that this, after all, is the only way out.

Government ownership, as it must be under the present economic system, is being tested now. The poor woman whose home is a rented shanty on a back alley, who is struggling like a slave to feed, clothe and shelter her little children by getting down on her knees to scrub the floors of a million dollar post office building is employed in a business that is owned by the government. Electric machines exist and are well known which would enable her, without hard labor, to do the work of many scrub women. *But she is cheaper than the machine.* Money is precious and machines are costly, but this woman has little or no money value and the party in power got into power by promising to reduce government ex-

penses. It is a saving to engage the woman in preference to purchasing the machine.

To expect the government to act otherwise under existing economic conditions, is to expect the government to show less business sense than any ordinary day laborer.

The government would become bankrupt, if it would not continue prices and scarcity of goods in the markets especially if government employees demanded pay for their labor. It could not perpetuate scarcity unless that scarcity was born by the majority of the people. Government ownership alone, cannot save our nation in the Impending Crisis.

**Socialism.**—[Socialism as advocated at present, is not another system of economics. It suggests nothing, more or less, than another attempt to readjust to the primitive "root-principle" of *grasping*. There could be no other system of economics unless that system be an adjustment to the opposite principle—that of *giving*.

Aim to get wealth by *universal giving*, is the vision which Socialism needs. Without this vision there is no hope for Socialism, or for the further progress of mankind.

Socialism would socialize the tools of production, but not the products.

Socialism, of course, does not advocate a division of wealth. "The socialist program *does not deal with consumable wealth* but with productive wealth; the socialist would socialize the tools of production, *not the products*". (Morris Hillquit in "The Appeal to Reason," July 20, 1912).

No one today owns the ocean. As an instrument for the production of fish for the markets, it is thoroughly "socialized." Yet, as shown in Chapter II, Part I, in London Fish Markets, under competition for *products*, sometimes a part of the supply of fish is destroyed in order that the remaining amount would bring a higher price and yield a profit to those engaged in the fish industry. Too many fish are a

calamity to fish vendors. And the effect would be the same if all tools were socialized.

Simply "socializing" the instruments of production and distribution would result in no greater income than at present. Like the fishermen, the Socialists would find that under the competitive law, in relation to products, they could receive no income for products unless they could receive some form of price for their products; and that no price could be received unless products were *scarce* for others. The struggle to keep products scarce for "the other fellow" in order to realize an individual advantage in "income," would be as intense under Socialism as at present, and the various degrees of poverty would have to be endured by the masses, as heretofore.

When all workmen are competing for *products* and giving little in order to get much, or in other words holding fast to all that they produced, the economic effect upon society would be the same as Capitalism.

"Every man shall get what he produces," is a common delusion of Socialism. The Author of this work will show that without the aid of others, man produces little or nothing. Therefore, according to the Socialistic rule, he would get little or nothing. It is shown, in Chapter IV, Part I, that, if the Socialist should get an equal share of all that is produced it would not exceed 95 cents per capita per day, and that under competition for products *more* than that amount cannot be produced and distributed, without causing a so-called "overproduction." If competition is still retained by Socialists in relation to "consumable wealth", inequalities would be inevitable. Each Socialist who imagines that a greater amount of products would be produced and distributed to him, if the tools of production and distribution were socialized, forgets that the tools will not run themselves without the aid of men; and that men, competing for the products which they produce by the aid of tools *are not thinking about giving them away or*

permitting any distribution of their respective products that might tend to lessen their individual income.

Competition, in the struggle to give *nothing*, is no better than competitive grasping, and the results would be about the same.

Capitalist and Proletariat, profits and surplus-profits, exchange-values, prices, wages and income, private rights to the means of existence, a scarce medium of exchange, etc., *are not causes*; these are but a few of the *effects* of the law of evolution adjusting production and distribution of products to the root-principle of grasping. Even though all these present evil effects were abolished by some miracle, and men yet retained the fundamental principle of "giving little" in order to get much, the evil effects would immediately return in some form. Other forces, in the nature of mental or physical power, cunning or co-operative endeavor, would create and perpetuate all the evils of the present system of economics and doom the majority to a life of drudgery and want. The strong or efficient man, struggling to get much products while giving little, would take the place of our Capitalist; ability or labor power would assume the function of present prices for goods; and the difference of hours in favor of the strong or efficient would become a margin of profit to them, and there would evolve a class struggle and all the various degrees of poverty which men have known during the past history of the race.

Man is a social creature. Without the aid of Society, he can neither exist nor attain wealth. The wealth of collective society must determine the individual wealth of the majority of its members. The struggle of *each unit* of society to give *little* to collective wealth can result in nothing but collective poverty. When society is thus improverished, the majority of its members must endure that poverty. One would think that the truth of this statement was apparent—even to the simple. But this is not so. This economic truth must be one of the deepest and most subtle of all scientific, philosophical, political

or religious assertions, for it has successfully evaded the mental microscopes of the greatest minds in all ages with the exception of Jesus, the Carpenter's Son, and, as far as we have been able to discover, the author of *The Other Economics*.—W. H. T.]

**Communism.**—[This delusion is not another system of economics. It is a form of trust, which has hitherto been closely related to agriculture, wherein certain mandatory restraints and self-denials, imposed upon its members, enabled them to *underlive* surrounding society. Chinamen also have underlived workmen in this country and saved money.

Should a large manufacturing establishment decide to include all its employees into equal partnership, it would resemble communism, but would not change the system of prices, profits and wages which ruled the world at large. It would not effect the poverty of the majority of mankind if all industries were in separate communes, selling their products to each other.

A single family is a Commune to the extent of its members, and might exist without economic intercourse with other families; but the existence of its members would be little above savagery. Economic interchange with all families is necessary to any one family's well being. That economic interchange has always been based on the principle of grasping or economic-antagonism—family against family—with the inevitable result of poverty for the majority. Communism—a larger family—has always retained this competitive business principle when dealing with all other families. As a result, She has robbed her members of all the benefits of civilization not closely connected with their respective vocation or with the limited bounties of nature to which they had access.

The endeavor of Communists to adjust this mode of life to the limited resources of their trust, and thus compete with civilization about them, has tended to repress, rather than expand, the higher natures of the members—reducing all to a common level.

Communism, as hitherto conceived and tested, had neither the facilities nor the economic principle by which to produce and distribute wealth to all. It aims, not to make a virtue of wealth or a high standard of life, but to *adjust to poverty*. In this attempt, however, some groups have proven more successful than any other method of adjustment to scarcity now being tested in civilization.—W. H. T.]

Under the present system, all rules of success in the struggle to escape from poverty would cause universal bankruptcy and unemployment, if obeyed by everybody. The present economic system was not adjusted to everybody. It was adjusted to that insane principle of grasping which perpetuates poverty for all but a few. It has never failed in accomplishing its purpose. Its uniform success in all past centuries is sufficient proof that it cannot fail to hold the majority down in poverty through all coming centuries. There is no hope for the working class or for any nation, regardless of its form of government, except by the destruction of the present economic system, and the adoption of another which is not governed by the principle that *scarcity* of the things that people want is the one objective condition of value. The seeming progress in civilizations has consisted in causing people to want more of life and more of goods that sustain it and in causing the latter to be scarce; thus breeding the discontent that at last results in destruction.

The maintenance of "scarcity", especially since wants have become more highly civilized and intense, and since, of late, machinery so greatly increases the productivity of labor and education is common,—has become our great problem. "Overproduction" is a constant menace. We are always on the edge of it. The great industrial combinations, or the trusts, are evidences of this truth. They are organized for no other purpose than to limit the output and hold up prices and scarcity of all kinds of goods which the people

want. If these big combinations for limiting the output should be broken up into little ones, by acts of Congress, and the output should not be limited, and our new steam power should break loose and produce an abundance of common necessities, the bottom would be knocked out of prices, profits and wages. Capital and labor would refuse to work.

The problem is a fearful one!

How can we avoid producing goods enough to make the common people comfortable!

When we approach that amount of production it is "over-production", and the present economic system goes into convulsions and threatens to expire!

Many of the common people are beginning to see that there is no way of deliverance for them, except through the death of something which, as yet, they dimly comprehend.

## CHAPTER IV

### PRESENT PRODUCTION

In 1910 the total money value of products from all sources, as given in the United States Census reports, was \$31,435,796,-869.00, including cost of raw materials. Adding \$1,000,000,-000.00, to allow for products consumed and not appearing, we get the huge sum of \$32,435,796,869.00.

But who can understand such a meaningless row of figures!

If we divide it by the population of that date (93.4 million) and by 365 days of the year, we reduce it to a sum that we can understand when we go to buy a shirt or a good meal—95 cents per day, “surplus-profits” included, if equally divided.

Over that American ration of 95 cents per day about one hundred million men, women and children fought and lied, traded and grafted, juggled and exchanged. It was this 95 cents per day per capita which paid for armies and navies, the legislatures and asylums, the penitentiaries and Congress. It was out of this 95 cents daily ration that all the big fortunes were skimmed and the banks supported. It paid the preacher, the teacher and the undertaker and clubbed the “wolf” withal.

That was all that these expenditures could come out of, for, that was all that was produced. And our system is so nicely adjusted to perpetuating scarcity that more than 95 cents per day per capita could not be produced and distributed without causing “overproduction”, when mills would close down and crops rot in the fields.<sup>1</sup>

In 1880 the daily ration was 55 cents, in 1900 it was 67½

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<sup>1</sup> Distribution of Products, Atkinson.

No—These products are turned over many times—  
people consume food, clothing etc.—but change and other  
for daily services that do not appear in products.

cents and now it is 95, which, by the way, indicates that products are becoming *scarcer* and that their "money value" is swelling. no!

If our diet could consist of "money value", in lieu of food, and if we could wear "money value", in various styles, instead of clothes, the increase of the money value of our daily ration from 55 cents to 95 would give us cause for great rejoicing. But the fact that meat products had a money value of 300 million more in 1900 than in 1896 did not indicate that we produced more sheep, cattle and hogs, but that we produced 19 million head less. On account of our success in perpetuating scarcity the "money value" of the following products has increased during the last ten-year census period as follows: Sugar, 60%; butter, 34%; milk, 35%; flour, 35%; potatoes, 46%; eggs, 47%; lard, 57%; hens, 59%; sirloin steak, 62%; ham, 63%; rib roast, 63%; corn meal, 64%; round steak, 86%; smoked bacon, 100%; pork chops, 105%.

If angels from heaven should pay all expenses of the government and keep business going, without accepting any profits, and give an equal share of the wealth produced to each inhabitant it would only be enough to hire cheap board and lodging. By economizing on that insignificant income, as though Nature were a pauper, we manage to exist and give comfortable existence to a few of the fittest fighters.

In 1910 the total money value of all farm property and the total capital in manufacturing, was \$63,082,246,154.00. This amount divided by the population is about \$605.00. Five per cent. dividends on this capital would be *nine cents* a day for each inhabitant and would relieve poverty to that extent if equally distributed, provided: some genius could figure how everybody could equally receive dividends and pay them at the same time to any advantage. The fact is there would be no dividends in that case and all this capital would have no money value on that account.

When we include in the total wealth of our country the money value of the *methods* by which profits and wages are ob-

tained out of products of industry after they are produced (by taking a portion of them from the many and giving it to the few), the estimated wealth of our country in 1912 was \$130,000,000,000. This was about \$1,368 per capita of the population. Five per cent. interest on this amount, if by some miracle all could receive interest when no one is paying interest, would give 19c a day to each inhabitant. This becomes a good measuring rod by which to gauge the importance of the political issues of our day to the average voter.

But most of this alleged wealth is invisible and intangible. The larger part of it does not exist, but may exist at some future time, for a few people. The money value of a house or a lot depends on the future products of industry that may be obtained from others by means of it, indirectly, in the form of rent. This is true of all rentable property. If it could not be used as a means of levying tribute on the products of the future toils of others, it would have no money value. Much of the estimated wealth of our nation consists in the ability of some men to get possession of things which others possess. This is poverty for the other men. It does not add to the total wealth. A dollar is nothing but a dollar even when it is transferred from one pocket to another.

A boy has a hundred marbles. Another boy who has none knows a game by which he can get possession of those marbles. He plays the game and wins the marbles in half an hour. There are other boys who have marbles and he can likewise get possession of theirs. The earning power of his scheme is two thousand marbles in ten hours, or six hundred thousand a year. This earning power capitalized at five per cent. is twelve million marbles. He has become a multimillionaire, not in dollars, but in marbles, and would be so rated in stock exchanges and Census Reports, if marbles were money. The scheme, when played and capitalized, has not increased the number of marbles. The same is true when the same game is played with wheat, houses, factories, railroads, or any other kind of property. A very large

part of the estimated wealth of our nation consists in the capitalization of the earning power of the *methods* by which some men can get possession of the property in the hands of other men. This neither adds to nor subtracts from the total real wealth of the country. The men who are thus playing marbles "for keeps" are simply idle. Perhaps we can better afford to have them idle than to have them come to the factories where we are at work and compete for a chance to take our jobs!

Recently a careful estimate of the amount of luxuries enjoyed by the people of the United States was published.<sup>2</sup> It was a rebuke to our extravagance and an attempt to show us the cause of the higher cost of living. The list of luxuries included European trips, pleasure excursions, theatres, yachts, automobiles, carriages, pianos, talking machines, liquors, tobacco, soda water, fireworks, silk, toys, candy, perfumes and about everything above common necessities. The fearful total for luxuries was two thousand million dollars. That seemingly infinite expenditure for luxuries was less than seven cents a day for each inhabitant of our country. This seven cents a day was not equally distributed. For every person who had a two-thousand-dollar automobile there must be more than seventy-five other persons who are deprived of *all luxuries* for a whole year. The money value of the poverty of those who do not have luxuries gives the market value to the luxuries which they struggle for but cannot obtain. The scarcity of the luxuries which people want is the one objective condition of their value. If everybody had this little seven cents and spent it for luxuries "the richest nation on earth" should not scold him for his extravagance.

An eminent writer on economics shows us that the cost of war and warfare to the United States from 1897 to 1905 was nine hundred million dollars.<sup>3</sup> This was about three cents a week per capita of the population for that period. The luxury of killing people, and of being in readiness for that diversion, should

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<sup>2</sup> The Technical World, Oct. 1909.

<sup>3</sup> Facts and Figures the Basis of Economic Science, Atkinson, p. 163.

perhaps not cause us to mention that little three cents. Some would give three cents a week to save people from being killed. This is as yet the day of small things, and three cents a week per capita of the population is a matter of great national concern. Any political party can ride into power on the plausible promise to save a small part of that amount in our national expenditures.

Three cents a day contributed by each inhabitant of our country to one thousand men would make each of them a millionaire in one year. That is more than our annual output of millionaires. Probably they would be worth that much to us if by withholding this little contribution we should throw ourselves out of employment. Look at it as we will, that little three cents is too small to quarrel about, unless the poverty of the average inhabitant is much greater than the comfortable few are accustomed to imagine.

A panic, following a period of more than ordinary activity in business, results in a general demand for payment of debts. The extraordinary business activity results in an increased quantity of goods in the markets which lowers *prices*. Whatever may be the nature of the medium of exchange, the greater abundance of goods in the markets lowers real prices for goods by *increasing the purchasing power of a day's work*. In relation to goods the amount of poverty for the average man is beginning to diminish. This is the beginning of the panic. Lower prices for products results in lower prices for instruments of production. When prices for goods fall so low that selling the greater amount of goods at the lower price gives less profit than selling a less amount at a higher price, profits are diminished by the lower price. Smaller profits in business cause the capital employed in it to "shrink" in estimated value. *When much consumption goods must be given for little money, it will not be long until much land and much machinery must be given for little money.* Mortgages become less secure when the money value of property covered by them is shrinking. This causes a general demand for the payment of debts.

According to popular opinion, much of the capital of our country vanishes during a panic. People seem to imagine that when land is twenty-five dollars an acre there is only *half* as much land as there was when the price was fifty dollars. They imagine that a factory or a mine is less than it was when its value as estimated in money was greater. But one may search everywhere after a panic has greatly reduced estimated wealth and see no evidences of the destruction of material things. The mines and the factories all remain but they are taking a rest, having more products on hand than they can sell. The panic has not destroyed any real property. Many names and figures are different in certain books in banks, and some families who have previously lived in palaces have moved out and others moved in, but this neither increases or diminishes wealth. What was all the commotion of the panic about? Nothing: only the fact that the country was beginning to touch the tips of its fingers to the wealth that God Almighty had placed on earth in abundance for all. The normal degree of poverty was beginning to be disturbed for the masses of people. Too much was being produced and distributed. Therefore it was necessary to diminish credits and demand payments in something that was very scarce for people, viz: money. Money, by virtue of its scarcity, legally maintained, causes the things exchanged to again become sufficiently scarce so that prices, profits, wages and poverty can continue as they were before the period of unusual prosperity. *That wealth of the country as a whole, which diminishes as the income of the average inhabitant increases, is fictitious.* Therefore the most of the estimated wealth of the United States, as well as other countries, is fictitious.\*

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\*This accounts for the fact, to a large degree, that our government statistics showed in the year 1910 net deposits in all banks of nine billion dollars (8,975 million) and only three billion real dollars in circulation or in the treasury (pp. 552 st. ab. 1910). The total wealth as heretofore mentioned is reckoned at present to be one hundred and thirty thousand million. If the medium of exchange is only nine thousand million, which is supposed to measure the exchange of wealth, the difference between the two sums would be the amount of wealth which would have no exchange value in any general settlement. That fictitious wealth or wealth "in the red" is \$121,000 million or forty times more than all the money in circulation or in the treasury.—[W. H. T.].

The products of industry are not changed in quality or amount by changes in their money values. A ton of iron is only a ton when it requires more money to buy it. If two men are on a barren island and each of them has a million dollars, and one of them is dying of hunger and has a cup of water while the other is dying of thirst and has a slice of bread, the one would give a million dollars for the cup of water and the other would give a million dollars for a slice of bread. In this market the total money value of a cup of water and a slice of bread is two million dollars, but the real wealth that concerns the world of human beings was only a cup of water and a slice of bread.

In periods when politicians, newspapers and stock exchanges are boasting about the increased wealth of our country, the "means of life" are growing less for the average inhabitant. This may be "real wealth" for a few men who control public sentiment and the politics of the nation, but their increased wealth has been obtained by increasing poverty for the majority. If we confine our thoughts to money, we can readily see, that, because the per capita amount is small, no man can get possession of a million dollars unless a great many other people have less than the per capita amount of money in the country. The same result must occur in relation to *all goods* which are measured in money.

Products are not increased or diminished by merely changing their location.

A hat is not more than a hat when it has been transported from one part of the world to another. If it becomes more than a hat when transported to the right locality, then our 95c per day of wheat, yards of cloth, automobiles and other products could be increased by the simple process of transporting them. It should be remembered also that desires alone have no money value, and that Census Reports do not include them in the estimated wealth of our country. A man may desire to be robbed in a fashionable and indirect manner, but the gratification of the desire has no market value. The one objective condition of value

is the scarcity of the goods taken from him, whether they were taken with or without his consent. If we carry a ship load of wheat to a region where people are starving, we may cause them to give us all the money and other goods in their possession in exchange for our wheat, and thus return to our homes to receive the homage which wealth commands; but the amount of products is not increased by this exchange. The ship load of wheat was not one grain more when it reached the homes of the hungry people. The desires of those people, who preferred the continuance of the desperate struggle for existence to death by starvation, were gratified, but desires alone have no money value. When the above transaction is finished nothing has been added to the total amount of products anywhere on the earth. We only discover that we have more than before, and that others have less.

There would be but little exchange of products between nations if the object of exchange was a mutual saving of labor. Most nations have possession of a sufficient variety of sources of raw materials to be self-supporting. The more fortunate nations could save labor by consenting that the less fortunate should be permitted to have access to the unused portions of the earth's surface. The transportation of goods to and fro in the United States in the interests of traders is largely a waste of labor, or would be if any form of idleness was not less disastrous than is "overproduction" under the present system adjusted, as it is, to perpetuating poverty. When a man in New Mexico wants shoes he hires men to carry his steer to Chicago where he hires men to butcher the animal. Then he engages men to carry the hide to some town in New England to be tanned. Then he pays men to carry the tanned hide to another locality in New England to be made into shoes, after which he hires men to carry the shoes to wholesale houses in New York and thence to other smaller wholesale establishments. Then he spends more money to carry the shoes back to a retail store in

his own town in New Mexico. This kind of efficiency (?) and labor under our present system is harmless, because the vast multitudes of people, who are thus engaged, are not producers. If they were producers they would cause "overproduction", panic, and unemployment for those who are producing goods. Of course, under a more scientific system of business, steers could be butchered, hides could be tanned and shoes could be made in New Mexico. The labor wasted, as above described, would skin a vast number of steers and make a great number of shoes, but that would be the destruction of the shoe business under present conditions; for shoes must be scarce for the average family. Men must make a desperate struggle to obtain them in order to hold up prices and keep the shoe business going.

*To supply the wants of those who produce the goods, is not the object of trade.* If it were, capitalists in the hungry Orient would not have attempted to export pork to Chicago, and capitalists in hungry Chicago would not export pork to the Orient. A vast amount of labor could be saved, and employed in productive industries, by both parties supplying the wants of industrious people nearer home. But this sensible policy, as we have seen, would cause the collapse of the present economic system.

Most of the estimated wealth of our country consists in the capitalization of the privilege of being respectably employed, while refraining from engaging in the production of consumption goods: which, if otherwise, would increase their quantity on the market and lower prices so that profits and wages would be destroyed. Tramps and loafers of all kinds also refrain from helping to cause a chronic state of "overproduction" and therefore help to hold up wages by refusing to compete for a chance to work. If we believe in the nobility of our present system, we should be ashamed of our lack of appreciation of these most self-sacrificing public benefactors. China seems, long ago, to have appreciated the value of the idle in lessening competition; for as early as the year 407 B. C. she prohibited any officer of

Today the value of the raw products of the food is not the same as it was in 1900.

the government from transacting business for gain, during his term of office.<sup>4</sup>

The property of the Steel Trust is capitalized at \$1,400,000,000. This includes ore deposits estimated at one thousand million tons, and capitalized at eight hundred million dollars.<sup>5</sup> We see that more than one-half of the property of the Steel Trust is not a product of human industry. Neither we nor our ancestors produced the ore deposits. Land is not a product of human labor. When we have a monopoly of it we can compel other men to work for us to avoid starvation. This is wealth for us for we can sell our special privilege, but it is not wealth to those who must give us their labor to avoid starvation. The thousand million tons of iron ore will be mostly unused when the present owners and present generation are dead. Take from the estimated wealth of our nation the products of industry which do *not* now exist and that which now exists but is not a product of labor, and the amount remaining would be small indeed in proportion to the population and would have no money value. *Wealth as now estimated consists in the private ownership of work-people who are now living and others who shall live in coming generations.* They are not held to their owners directly by legal documents, but by poverty and want, which the legal documents and the present economic system perpetuates.

In the market where the seller charges the highest possible price for goods, he is unwittingly trying to increase the number of people who cannot buy goods. The buyer who pays the least possible price is helping to reduce profits and wages for those who produce and distribute the goods. He is doing what he can to reduce their ability to buy goods, and therefore to reduce the amount that shall thereafter be produced and distributed. Both buyer and seller are unconsciously struggling to increase the poverty of the country, while want drives laborers to their work of producing goods. Want and grasping between them

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<sup>4</sup> Ec. Pr. of Confucius, p. 546.

<sup>5</sup> Everybody's Magazine, Aug. 1910.

manage to keep the average amount of poverty and production at the stage which enables the working class to exist and a few of them to obtain wealth. Monopolies, which seek to get such "control over the supply of goods in a given market that a net gain will result to the seller if a portion is withheld", are doing in a larger way, what *all* are doing in a smaller when they withhold either labor or goods because the price is not satisfactory. *When all buyers and sellers of labor and products are trying to diminish the production of goods, how can the total production be large in proportion to the population!* When individuals are trying to get more money, they are trying to diminish the amount in the possession of other people. They do not desire to increase the amount of money in the world and thereby diminish its purchasing power. Since prices of desired goods in the market fall in proportion as the quantity increases, all who are seeking higher prices for labor or products are unconsciously building their own scaffold by trying to diminish the number of people who can buy, and the amount of goods that can thereafter be produced. The wonder is, not that past civilizations crumbled and fell, but that they stood as long as they did.

When two men are struggling to get much from each other, by giving little, we can readily see that both of them cannot get much. But when the men are a multitude our narrow vision is confused and we imagine that the total product of the business is enormous. The hungry eyes of the many who have little or nothing, see the "swollen fortunes" in the hands of the few, and each, *thinking of himself only*, does not take the trouble to use a little arithmetic to divide the dividends obtained by the wealthy few, by the number of the population. It should be self-evident to any one that when money, or a scarce medium of exchange, intervenes between wants and supplies, supplies must be scarce for people in general, although neither money nor supplies may be scarce for some individuals.

The history of superstition contains sufficient proofs that in every age and country the majority of men have thought and

acted like fools in relation to some matters concerning which they would not use their reasoning faculties. We have only recently ceased to burn witches, and to believe that slavery is a holy institution. And there are many of us today who shy at the number 13. The present system of economics is a subject on which multitudes do not dare to reason. They depend upon the few for whom that system of business seems constructed, and from whom, therefore, they must obtain consent before they can get employment, food, clothing and shelter. These satisfied few who control the "System", pay the larger part of the salaries of editors, clergymen, and teachers of political economy in our universities. They endeavor to manage political parties, make their platforms, determine the fortunes of statesmen, and can give or withhold employment for multitudes of wage earners. These few, seem allwise to the unreasoning many. Superstition takes the place of reason in relation to subjects concerning which men do not dare to reason.

Clergymen are the most conscientious class of men. Yet, with great unanimity, those of them whose salaries were paid by the slave owners, came to the conclusion that slavery was a divine institution after the invention of the cotton gin made the rearing of slaves very profitable to their owners. Previously the clergy of New England concluded that slavery was wicked because on small New England farms, where winters were longer and more severe, requiring more fuel, shelter and clothing, the market price of slaves was less than the cost of rearing them to maturity. Money spent in rearing slaves did not increase the salaries of clergymen, but rather tended indirectly to diminish them. These "good men of God" in New England, if slavery had been financially profitable, would have died in the defense of slavery, as many of their brethren in the South did later, if martyrdom for conscience's sake had been required of them suddenly. Few good men can endure a steady and long-continued pressure of self-interest, and of the interests of their families, against their opinion of what is right. They will change their opinion in

defiance of reason, and seek some theory that will help them to imagine that their former opinion was false. Therefore we should expect men to be more blindly and more skillfully superstitious in relation to the existing economic system than any other subject.

It is simple superstition to think of "surplus values," "abstract values," "values," etc., existing apart and independent of particular goods. One cannot eat "abstract values", or any kind of "values" of bread and meat. One does not add anything to tools, money and sources of raw materials by calling them "productive capital". One never has seen such things producing even a pocket knife. A melon is nothing but a melon when its price, or money "value," is increased and few people are able to obtain it. Under the present system the fact that the different kinds of goods, are desired by many people who *cannot* obtain them, gives them a "money value" which is included in the estimated *wealth* of our country. To attempt to fill one's "belly on the east wind" is just as sane a diet, as to account the *absence* of goods, as wealth. Yet a very large part of the wealth of our nation, as estimated in dollars in Census Reports, consists in the fact, as heretofore mentioned, that a majority of our people cannot get enough common necessities. If they were not *scarce* they would not have a price. If this kind of wealth which consists in scarcity were increased a hundredfold and equally distributed among the working class by income tax, inheritance tax, social insurance, or any other method, it would not improve their condition.

The "market value" of tenement houses and homes for rent depends upon the fact that multitudes are *homeless*. But what is the market value of being homeless, to the homeless! What is the market value of "private ownership" of the means of life, to those who cannot own them—to the multitudes now living, and who shall be born, under a system of business which shall compel them to sell themselves at their competitive value to the owners of the means of life, for the mere privilege of existence!

When the "market value" of the private ownership of the means of life is *plus* for the few and *minus* for the many the total value of this kind of property, according to algebra, is less than nothing. Why should the *many* be counted out when we estimate the total wealth of our country! And why should many work-people continue to regard as wealth, the figures and dollar marks that measure the money value of their *poverty*! The figures and dollar marks which they superstitiously regard as wealth and which they falsely imagine would make them comfortable, if more equally distributed, represent the money value of the poverty of that portion of the population who are working or seeking work without being able to find it. Plenty and "money values" are opposed one to the other. They cannot both exist in any system of business at the same time.

The superstition that money is "stored wealth", is advocated by some comfortable teachers of political economy in our universities whose chairs are well endowed by interest-bearing bonds which are mortgages on the means of life—and indirectly are mortgages on the work-people who must have access to the property owned by the university in order that they may continue to live. This may be "stored wealth" for the man occupying the chair of political economy, but the poor fellows who are working underground, and above ground—in school room, factory and market place—trying to support families and pay rent on an insufficient wage, ought to have sense enough to know that those interest-bearing bonds that the university professor is writing about are not "stored wealth" for them.

The superstition that money makes more money, or grows by drawing interest, or by being invested in a profitable business, is as foolish as the belief in charms and magic which we have recently outgrown. Did anyone ever see a dollar growing or making as much as one cent! How much richer would people be if everybody had a million times more money! *How rich would people be if they had nothing but money!* If a man were the owner of an automatic thief which could steal for him, and

if its thefts were authorized by law and defended by the army and navy,—and excused by obscure and therefore presumably profound theories of religion, ethics, nature and human nature,—the one owning such an automaton, or “stored wealth”, could get more wealth by means of it, and would be honored above other men.

If a father had a great orchard laden with apples and should compel his children to go out first and find four-leaf clover before they could have apples, apples would doubtless be scarce for these children. This use of the “automaton” and four-leaf clover, illustrates the office of money. It is an automatic thief. We are robbed when we receive it in exchange for labor or products, and we are robbers by compulsion when we pass it on. As the lawful medium of exchange it causes the things exchanged to be scarce in proportion to the population. In the case of the four-leaf clover, the children, while hunting for and finding the “scarce medium of exchange” which they must have in order to get apples, might fall to fighting among themselves each grasping from the others. Some would have more of the medium than others and some would have none. Those who had most, could save the greater amount and buy apples many days or pay others to do their chores while they rested in the shade. The four-leaf clover in their possession would be “stored wealth”, or “stored apples”, in the sense of the term as used by some economists. Thus the money-king can compel men, women and children to be shelterless, hungry and naked, or to steal, if they will not work for him for such a sum as will barely enable them to exist and work. Present production must be small, in proportion to the population, and in proportion to the variety and intensity of their wants, because money, an invention and adjustment to the present destructive system, is *scarce*, except for a few.

The means of producing a coat are not a coat. The means of producing wealth are not wealth. If we subtract from the estimated wealth of our country the estimated money value of the means of producing wealth, such as lands, mines, factories

and the instruments of production, which are not homes, food, clothing, or luxuries for use or leisure, we would at once discover that the existing amount of real wealth in our country is *too small* to perceptibly improve the condition of the average working man, if he had an equal share of it.

When we think of the average man, or the common multitude, we see that present wealth does not include *future products*. But, as we have shown, the larger part of the estimated wealth of our nation *does* include future products, including the products of labor by laborers who are not yet born; it is therefore fictitious. We cannot now live in a house or eat potatoes which do not now exist, but which may come into existence five, ten or forty years from now. The commercial value of a house or lot would be destroyed, if, for some reason, no one could get the products of another's labor after the present month, by means of them. Most of the estimated wealth of our country consists in the privilege of holding and conveying to others the power to get, without labor, a part of the products of future labor by other people, including those who are now infants and who shall be born hereafter. Most of the estimated wealth of our country is therefore "dream-stuff" and does not now exist except in fancy.

The working class, high and low, do not seem to have the courage to use their reasoning powers concerning the economic superstitions of which they are the victims. If they would use it, they have sense enough to know that they can never be made comfortable by having a greater share of "visionary wealth", and that they cannot satisfy present hunger by eating bread that shall be baked by future generations. This is the kind of wealth which certain office seekers offer the public for votes when they promise that, if elected, they will help evolution to evolve still further the present economic system of grasping, by taking the government into partnership. But we can now see that the present system, whose genius is to perpetuate scarcity, would

not be further *evolved* but totally destroyed by the abolition of poverty.

There is a certain rich man who is said to be worth one thousand million dollars. He wears only one hat and one suit of clothes at a time. He eats only three meals a day, occupies three mansions and consumes daily some luxuries. If that which he actually uses as he goes through life were equally divided among the whole population, it would hardly increase each share by one good hat or one full meal. The thousand million dollars being the measure of the absence of or scarcity of "real wealth", if equally divided, would be of no value. Why waste good time and thought in his direction! The remedy is not there.

The cause of poverty is not "individuals", no matter how rich, or a certain "class", but, is caused by the universal consent to the struggle to "get much by giving little." Even enough of common necessities for all who assist in producing and distributing them, under the present system, is "overproduction" which would destroy prices, profits and wages, and result in panic, bankruptcy and unemployment. We blindly consent to a system that demands, and depends upon, the perpetuation of all the degrees and varieties of poverty from the bottom of society upward. The minimum income from which the others grade upward depends upon what the people at the bottom, in any given country, will endure without becoming dangerous. The silence of our statesmen and moulders of public opinion relative to this real cause of poverty is evidence of the power of superstition and the hypnotic spell of ages of error.

The evil doctrine of "class hatred" and bitterness, poured into the mind of the illiterate workman by sincere but misguided teachers so that he sullenly views his employer as his chiefest enemy instead of a "fellow-victim", may require years of patient labor to counteract. And it is barely possible that our age has already hesitated in this important task too long.

## CHAPTER V

### PROFITS

Profits obtained by the capitalist class are not the cause of the poverty of the masses.

The Documentary History of the American Industrial Society<sup>1</sup> contains sufficient proofs that "the curve of prices in their recurring cycles is paralleled by the curves of political and labor movements. Prices, profits, and wages rise together, not symetrically, of course, but substantially. But the higher prices consume the higher wages and still higher pay is demanded. Success breeds demand for shorter hours, and soon the employer finds that his profits have vanished, despite the volume of his trade and the highness of his prices. When he cannot sell his goods and cannot reduce his expenses he organizes against the labor movement, and the courts are appealed to. Depression and unemployment come next in the cycle, and political agitation is the last phase.

In 1910 the total capital of industrial combinations in the United States was \$8,524,159,452.00.<sup>2</sup> Ten per cent. dividends on that amount of capital, if divided equally between the whole population would have added to the income of each inhabitant only *two cents* per day. We evidently expect too much of our parties and Congress. Our statesmen may be wonderful men but they are not miracle workers. If we had the entire two cents it would hardly pay us for our terrible amount of excitement at election times. It certainly would not make us

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<sup>1</sup> The Documentary History of the American Industrial Society, the Arthur H. Clark Company.

<sup>2</sup> The Thirteenth Census.

fabulously rich. Much if not all the time of Congress is occupied in regulating the industrial combinations so as to permit them to continue in business and give us a small margin of their profit. If Congress would give us the entire profit of all manufactures inside industrial combinations and outside of them, our share would be five cents a day. Of course where Congress adds to the profits of these industrial combinations, as our national policy has graciously done in the past, Congress has been an expensive luxury and a financial loss to the people in relation to the regulation of industrial combinations. The futility of Congress to secure any perceptible amount of relief from poverty for the common people is due to the fact that there is no relief, even should we be given all the profits of industrial combinations. The total capital in all manufactures in the United States in 1910, including custom work and repairing and all those establishments inside industrial combinations and outside of them, was \$18,428,270,000.00.<sup>3</sup> Ten per cent. of this total capital (which is far in excess of their average net profit) divided by the population and by the days of the year, is near *five cents*. It is very important to office seekers and their immediate relatives as to which of the political parties is in power; but the thoughtful person does not expect Congress to interfere with the great laws of the industrial world which perpetuates scarcity for prices. Should Congress actually do anything that would provide more comforts and necessities for the common people, it would precipitate a panic on account of "overproduction."

The average profit is less than ten per cent. While capitalists are competing for profits, underselling each other, it is impossible that the average profit on capital invested should be more than the rate of interest for money loaned on the *safest* securities. In an investigation by the Bureau of Labor Statistics of Connecticut into details connected with the business establishments of that State it was found that these es-

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<sup>3</sup> The Abstract of the Thirteenth Census.

tablishments, having a capital of \$48,665,000.00, employing 29,256 hands and representing twenty-two distinct lines of industries showed an aggregate profit above all expenditures of *six and fifteen one-hundredths per cent.*<sup>4</sup> In 1910 an investigation by Congress, by the aid of proofs sworn to by public accountants, showed that the net profits obtained by forty representative textile manufacturing corporations of New England, for the previous twenty years, was six and sixty seven-hundredths per cent. It was estimated that they were then operating at about eighty to ninety per cent. of capacity as against fifty per cent. at the beginning of the preceding year and only about twenty-five per cent. during the depression.<sup>5</sup>

A recent number of a popular magazine contained a sensational article, showing the vast profits made by one of the greatest railroad combinations in our country. In addition to dividends, the managers had taken from the enterprise "watermelon" amounting to four hundred and seven million dollars in *twenty-seven* years. These figures are appalling to some minds. This amount of money would require a contribution of about *one eighteenth of a cent a day* from each inhabitant during that period. It is probable that all the "watermelon" obtained by all the capitalistic combinations in our country would not make *two cents* difference in the daily income of the average inhabitant.

Ninety per cent. of all who undertake business for themselves fail of success.<sup>6</sup> Success requires extraordinary skill because profits are small. Sugar is refined at a profit of one-eighth of a cent per pound and sometimes as low as one-sixteenth.<sup>7</sup> On account of small profits, one-half of the sugar refineries in the sea-board cities of the United States failed or went out of business within the fourteen years pre-

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<sup>4</sup> The Distribution of Products, Atkinson, p. 422.

<sup>5</sup> Wm. Whiteman, Everybody's Magazine, May 1910.

<sup>6</sup> Recent Economic Changes, Wells, p. 75.

<sup>7</sup> Ibid.

ceding 1889.<sup>8</sup> It was discovered by those capitalists, who survived in this industry, that by combining into a trust they could limit the output of sugar and obtain a price which would enable them to make a profit on the capital invested. The formation of the Sugar trust was an economic necessity and was not caused by a philanthropic desire of capitalists to help each other. The struggle to destroy each other was becoming too deadly to be longer endured. Rebates of five cents per hundredweight, or *one-twentieth of a cent per pound*, enabled the sugar trust to undersell the beet sugar manufacturer in every market.<sup>9</sup> The individual consumer would have to eat twenty pounds of sugar before it could make a cent of difference to him which of the two capitalist combinations is driven into bankruptcy.

In 1908 figures gathered by the Interstate Commerce Commission showed that the ton-mile rate on railways was three-fourths of a cent.<sup>10</sup> Boxed meats have been carried from Chicago to London, as a regular business, for a half-cent per pound.<sup>11</sup> The profits of railroads on each loaf of bread, including the hauling of wheat and flour, is nine one-thousandth of a cent.<sup>12</sup> A ton of wheat can be hauled at sea at less than a farthing a mile.<sup>13</sup>

Some politicians and sensational magazines have found it profitable to themselves to discover some instances of large profits and exhibit them to the people as proofs of the general rule. They do not mention that city franchises are not given away, as a regular business, and that new products of nature, like petroleum, are not being discovered continually. Giving land to railroads is not one of our staple industries. Let the reader buy Standard Oil stock and see if his dividends on his

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<sup>8</sup> Ibid, p. 98.

<sup>9</sup> The Cosmopolitan, Oct. 1909.

<sup>10</sup> New York Times, Feb. 5, 1910.

<sup>11</sup> Recent Economic Changes, Wells, p.38.

<sup>12</sup> The Distribution of Products, p. 298.

<sup>13</sup> Evolution of Modern Capitalism, Hobson, 173.

investment are much above low rates of interest. After the original promoters of an industry which yields large profits have capitalized its *earning power*, they become wealthy. Later investors do not get large profits. And in our haste we are apt to confuse the two kinds of business men. The original promoters who succeeded in obtaining large profits are only a few exceptions to the general rule.

Profits in agriculture are small. Mr. J. P. Roberts, for thirty years Dean of the College of Agriculture of Cornell University, informs us that during the twenty-five years covered by his investigation the majority of farmers had been selling many of the staple crops *at a real loss*.<sup>14</sup> The farmer did not get for himself the wages of a common laborer. Many grain and hay farmers were working at fifty cents a day and boarding themselves. For the preceding twenty-five years wheat had sold, on an average, on farms at scarcely more than a cent a pound; though the farmer must receive two cents in order to make wages. The other cereals made little or no better showing, if the cost of labor to produce them was taken into account.

Poverty could not be relieved for all work people simply by workmen in factories and elsewhere seizing the management and control of the means of production and distribution. The "cure" lies deeper than this dangerous program now advocated by the Independent Workmen of the World and certain Socialists. As shown in the previous chapter, the most that they could possibly get under the most favorable conditions would be 95 cents per day if equally distributed, for that is all that is produced. And more than that amount cannot be produced and sold for a price without causing such a reduction in all prices as to starve the workers whose manufactured goods could not be sold. Blind Sampson did not improve his condition by lifting the pillars of a building and tumbling the edifice upon his own head. He did, however, succeed, perhaps, in killing the woman who cut his

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<sup>14</sup> The Outlook, May 8, 1909.

hair. But the "Delilah" that clips the comforts from our lives today, work as we may, is neither woman nor man. It is not "the other fellow" but *ourselves*—and not alone ourselves but also *the other fellow*. The real enemy is the absurd notion of men who think that "if everybody struggles to give little, everybody can get much".

Half the energy and money wasted in strikes, if crystallized and hurled at Congress in an effort to secure the plan described in succeeding pages, would have relieved the nation of poverty years ago.

## CHAPTER VI

### WAGES

The increase of the "productivity" of labor has not increased wages; and wages will not be permanently increased by labor-saving inventions while the present economic system continues. Labor-saving devices must be scarce in proportion to the population in order that products may be scarce and have a price.

Sewing women are not more comfortably fed, clothed and sheltered than they were before the sewing machine was invented. The speed of sewing machines has been greatly increased even during the past ten years. They can carry as many as ten needles, sewing parallel seams. The rate of the machine is more than two thousand stitches per minute. In 1905 there were factories in Chicago where the rate of pay for one hundred pieces was one cent. Some girls found it difficult to earn one dollar a week. In London, women are still working nineteen hours for one shilling and shirts are still being made for seven and a half pence per dozen.<sup>1</sup>

The cotton gin is equal to three thousand pairs of hands in separating seed from cotton; factory spindles can make twenty thousand revolutions per minute and one person can attend to more than a hundred of them; the power loom throws the shuttle at the rate of from one hundred and eighty to two hundred and fifty times per minute and one weaver can attend to twenty of them. This marvelous increase in the productivity of labor does not increase the real wages of work people employed in this industry.

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<sup>1</sup> Woman and Her Occupations, W. J. Thomas in the American Magazine, Sept. 1909.

In cotton mill towns of Alabama and North and South Carolina, poor industrious whites are in poverty equal to that of slaves before the Civil War. "The whole family toil at the loom often ten or twelve hours a day. Even children six years old are at work. The wages is a mere pittance even for grown persons. Nearly all of them live in settlements around the mills in cottages rented from the mill company and they buy their supplies from the company stores. The mill owners get them 'coming and going'. Often a family of ten will live in four rooms. The children grow up stunted in body and mind."<sup>2</sup>

An ocean steamship is a little world and an example of the larger world of which it is a part. Compare the daily fare of the first-class passengers with that endured by the people herded in the steerage who are coming to America to do the hardest work. Compare the standard of living enjoyed by the owners of the vessel with those of the crew. Stokers down in the hot inferno on all European transatlantic liners receive twenty-two dollars and a half per month.<sup>3</sup> The stoker's family, if he is married, live in a seaport city where rent and prices are high. His total income would not pay rent for comfortable shelter for his wife and children.

The bunk rooms for stokers are like "damp, hot stables". Benches and tables are of the rudest possible construction. They are furnished with the cheapest food that may be sufficient to sustain their physical strength. Sailors are paid twenty dollars a month. "Their bunks contain discolored mattresses and blankets ready for the rag shop or the disinfectant chamber." At Liverpool twenty-two thousand dock laborers daily report at the gate seeking work, and, on the average, seven thousand of these *fail to find employment*. Under expert supervision these idle men could make mechanical stokers and other devices which could do about all the hard work of low wage earners on the dock and on shipboard. Present applied science, if the existing

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<sup>2</sup> The Washington Post.

<sup>3</sup> Samuel Gompers, in the New York World.

economic system would permit, is now able to provide for the crew of an ocean steamer short hours of labor, elegant state rooms and the luxuries of first-class passengers.

In the iron and steel industries, power machinery, in some operations, makes the labor of one man equal to that of more than a thousand men of a hundred years ago in the same industry. But under the system of prices for products, real wages do not increase for these laborers. The following facts are given in the first published report of the Civil Service Commission of the Churches of Christ of America in 1910.<sup>4</sup> In the Steel Works of Bethlehem, Pennsylvania, just before the strike, four thousand, seven hundred and twenty-five men, or fifteen per cent. of all employees, worked twelve hours a day; two hundred and twenty workmen had a twelve-hour day, excepting on Saturdays when their hours were either ten or eleven. The total number working on seven days of the week, both regular and overtime, during January, was four thousand, nine hundred and forty-one, or forty-three per cent. Sixty-one per cent. of the nine thousand, one hundred and eighty-four men employed earned less than 18c an hour, or two dollars and sixteen cents for a twelve-hour day; thirty-one and nine-tenths per cent. earned less than 14c an hour, or less than one dollar and sixty-eight cents for a twelve-hour day. The Committee declares that this is a wage scale that leaves no option for the common laborers but the boarding-house method of living with many men in a room. When a man has a family with him he takes in lodgers, or in some cases even the wife must go out to work for wages.

An investigator, appointed by the State Department at Washington to travel through Europe for the purpose of investigating the adaptability of American products to foreign markets, gives the following description of the condition of the working class in some parts of Europe:<sup>5</sup> "In Bohemia, for instance, the misery baffles description. The majority of peasants have con-

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<sup>4</sup> Ida M. Tarbell, *American Magazine*, Oct. 1910.

<sup>5</sup> *New York World*, Aug. 28, 1910.

sumption written plainly on their sunken, pathetic features. Throughout Austria and in many parts of Germany women are compelled to perform unusually heavy labor. Between Bruenn in Moravia and Dresden, the Saxon capital, it is a very common thing to see women along the roads engaged in breaking stones. Or, again, you might see them with pick and shovel employed as section hands. In Bohemia you can see women, some of them sixty years old, climbing ladders carrying up the stones and hods with bricks on their shoulders. You can see these very much emaciated wives and mothers work in the beet fields, earning twenty-five to thirty cents a day and all they will have for luncheon will be sandwiches made out of heavy black bread. As for the wages they receive they will scarcely enable them to keep soul and body together."

Well known automatic devices could do the work of those Bohemian women who are climbing ladders and carrying stones and hods of brick upon their shoulders. Steam-power rock crushers are well known in the Saxon capital and could do the work of the poor German women working through long hours breaking stones, with hammers, to make the roads smooth for carriages which they can never own. Machines could also do the work of those German women working with pick and shovel as section hands, and also the work of those emaciated and half-fed wives and mothers working through long hours in the beet fields. But the present economic system will not permit them to be used to diminish the normal amount and varieties of poverty which must be endured either by the present victims or by their substitutes as they tumble down from the upper class. Struggle as they may, ninety per cent. make the tumble who attempt business for themselves.

As typical of low wage earners in American cities we select the following description of a tenement house in Cincinnati, Ohio:<sup>6</sup> "The writer visited the tentments in question and found

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<sup>6</sup> The Appeal to Reason, July 25, 1910.

them to be a veritable inferno. Men, women, boys and girls, American and foreign, most of them half naked, as the night was warm, were piled on rickety beds or were sprawled on floors and porches. A sickening stench arose from the mass of sweltering, brutalized humanity. The collicky squalls of children resounded through the dark passageways where they mingled with the curses of men who could not sleep. In the alley in the rear of one of the tenement houses a dozen men were stretched out. With one who was still awake a short conversation was held. 'I have a wife and six children in that room up there,' he said, 'I pay eight dollars a month for the room and it is parlor, bed room, dining room and kitchen, all in one. My eldest daughter is sixteen and she works in a cigar factory. My thirteen-year-old boy sells papers. I make a dollar and twenty-five cents a day breaking rock when there is work to do. Some of us are nearly always sick and my wife is nearly an invalid. What is to become of my wife and children is beyond me.'"

In Japan several thousand children together board and lodge in factories where they are employed. The children have to work nights, some times from fifteen to eighteen hours continuously.<sup>7</sup> They are working in the interests of home and foreign capital invested in those factories. "American interests in the Orient" are of this nature. In this relation "America" means a few capitalists who desire to invest money in the Orient to obtain dividends, and our navy exists to promote and defend such "American interests". When the capitalists of China and Japan, assisted by American and European capital, shall transfer the commercial battle ground from the East to the West, our country will be compelled to either change its system of business, or reduce the labor cost of product to what it is in the Orient.

Butchering and meat packing must be conducted on a large scale to secure the greatest possible economy of production, and the labor cost per pound must be as small as possible. Speeding

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<sup>7</sup> Poverty, Robert Hunter, pp. 356-358.

wage earners is one way to reduce the labor cost by butchering and packing more pounds in the given time. Work-people object to this because it overtasks their strength, throws them upon the human scrap-heap while they are yet in mid-life, and hastens the coming of the period of business depression when their employers will throw many of them out of work on account of over-production. Employing as much as possible women instead of men and children instead of women, is necessary in this fierce competition at home and abroad. A great butchering and meat-packing establishment can make profits out of the by-products, or refuse, of the slaughter house. The bounties of nature and present applied science could furnish substitutes for these repulsive by-products at little more cost, and the work would not be uncongenial to people of refined tastes. But men, women and children of the working class, even in the stench and slime, must have a chance to work. By working ten hours a day they can clean enough intestines so that the difference between the labor cost of intestines and other artificial casings for sausage, may pay the small wage, and leave a profit to the owner of the packing house. These victims are our brothers and sisters and may eventually be our very daughters and sons, yet we demand still cheaper sausage when we go to buy and higher price for the goods we produce when we go to sell, regardless of such victims.

Small wages are smaller when the wage earner is only occasionally employed. In 1890 the average number of wage earners in our country who were unemployed for the whole year was more than a million.<sup>8</sup> The Census Report of 1900 showed that more than six million were unemployed for some part of the year, and more than two million males were unemployed from four to six months of the year. In the anthracite coal region, mines were idle, on the average, one-third of the time. An investigation into the clothing trade in New York City in 1903, showed that during the first seven months of that year from twenty to thirty per cent. of wage earners in that industry were

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<sup>8</sup> Ibid, p. 38.

in enforced idleness. In 1908 the records of twenty-seven labor unions, selected from highly skilled trades, showed that thirty-two per cent. of the total membership were unemployed.<sup>9</sup>

A careful investigation into the causes of poverty has shown that only about twelve per cent. arises from laziness.<sup>10</sup> With proper nourishment, hope, and employment adapted to their natural talents, even this twelve per cent. would not be lazy.

Our working men are being gradually thrown out of work or compelled to accept wages of women and children. One million seven hundred thousand children were toiling in our fields, mines and factories in 1904.<sup>11</sup>

There are three hundred and sixty thousand dark rooms in the rented homes in New York City.<sup>12</sup> Work people do not live in crowded rooms in tenement houses because they yearn to do so. The density of the population increases with the decrease of wages, and overcrowding is greatest where wages are lowest.<sup>13</sup> To pay rent on so small portions of capitalized space, cost a fearful struggle. In the year 1903 in the borough of Manhattan three hundred thousand persons were evicted from their places of shelter.<sup>14</sup> The per cent. of those who went without sufficient food, and whose little children were killed by overwork, and whose young daughters were driven to sell their virtue to avoid being thrown out upon the streets, can never be known.

The poor will not consent to become objects of charity until self-respect is destroyed. Many will resort first to vice and crime to obtain money. Nevertheless a recent investigation showed that about one-third of the city of New York had depended upon charity some time during the preceding eight years.<sup>15</sup> Imprisonment becomes attractive to many because in the penitentiaries

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<sup>9</sup> John Mitchell, in the Outlook, Sept. 11, 1909.

<sup>10</sup> The Metropolitan Magazine, Oct. 1909.

<sup>11</sup> Poverty, Robert Hunter, p. 223.

<sup>12</sup> Ibid, p. 342.

<sup>13</sup> Ibid, p. 345.

<sup>14</sup> Ibid, p. 24.

<sup>15</sup> Ibid, p. 22.

the work is not harder than work outside and the standard of living is higher. *Neither theft nor the repetition of the crime after imprisonment is sufficient proof of an appetite for theft.* It may be an appetite for clothes, food and shelter and security against the mental distress caused by uncertainty of employment.

For one death, two are severely sick and three need medical help. For every sickness that comes once to the rich, it comes twice to the poor and three times to the still more densely crowded quarters of the very poor.<sup>16</sup>

Froude, the English historian, reaches the following conclusion concerning the condition of laborers during English history: "The level of comfort in the families of the laboring millions has, in this country, been rather declining than rising. The important results have been, so far, rather political and social."<sup>17</sup> In England, as a general rule, before the introduction of steam power machinery and the factory system, every house was a home and a place of *domestic manufacture*. Every family kept a horse and cow or two. In the towns where weaving and metal trades were carried on large numbers of the workers had allotments of land in the country to which they gave their spare time and many kept cattle on the common lands.<sup>18</sup>

"Six Centuries of Work and Wages," by Thorold Rogers, Professor of Political Economy in the University of Oxford, England, traces the history of wages and prices in England during the preceding six hundred years. He proves that real wages, or wages in proportion to the cost of living, had not increased. "In the thirteenth century ordinary farm land was rarely rented for more than a sixpence an acre. In the Middle Ages the poor ate wheaten bread, drank barley beer, and had plenty of cheap, though perhaps coarse, meat. Mutton and beef at a farthing a pound, take what multiple you will, and twelve is a liberal one, were within the reach of far more people than they are now.

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<sup>16</sup> Poverty, Robert Hunter, p. 145.

<sup>17</sup> Short Studies, Froude, Second Series, pp. 245-279.

<sup>18</sup> Effects of Machinery on Wages, J. S. Nicholson.

The grinding, hopeless poverty under which existence may be just continued, did not, I am convinced, belong to medieval life."<sup>19</sup> From A. D. 1429 to 1450 divers workmen were engaged in building in Oxford. Their wages, represented in American money at its purchasing power in 1884, were as follows: head mason, eleven dollars and fifty-two cents a week; other laborers, nine dollars and sixty cents and eight dollars and sixteen cents a week. The building trade in London more than four centuries *later*, after a hard struggle to obtain an advance in wages, obtained ten dollars and eighty cents a week. By comparing prices of fuel, food and clothing and rent with the wages of laborers Mr. Rogers proves that wages as improved by Labor Unions, were, even yet, less in 1860 than they were four hundred and sixty years before.

Nominal wages are higher in the United States than they were ten or twenty years ago and much higher than they were a century or two earlier, but the *purchasing power* of a day's work has not increased. The bulletins of the Labor Bureau show that the price of all commodities average thirty-five and four-tenths per cent. higher in 1906 than in 1896. An investigation into about four thousand establishments engaged in manufacture and mechanical industries where attempts to advance wages would be most likely to be successful, has shown that the wages in 1906 were only nineteen and one-tenth per cent. higher than in 1896.<sup>20</sup> The apparent increase in wages was a *reduction* of about sixteen per cent. in real wages during the ten-year period, or, wages in proportion to the cost of living.

In our new country, wild lands have been changing into farms; the various industries have been organizing and growing; villages, towns and cities have been built with marvelous rapidity. This has caused the greater demand for labor, resulting in higher wages as compared with those of older countries. The

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<sup>19</sup> Six Centuries of Work and Wages, Thorold Rogers, Professor of Political Economy, University of Oxford, England, p. 415.

<sup>20</sup> Ida M. Tarbell in American Magazine, Oct. 1910.

cause for our superiority is temporary, and the effect must be temporary also. Old countries were once new and we are doing business in the same old way. Because steam and electricity are our servants, time and space, in relation to government, are less than they were as experienced by former generations. A young nation can become old now in a hundred years.

Like the United States, Rome began with free lands for the people. Her system of business, based on the same grasping principle as ours, evolved until there were at Rome scarcely two thousand people owning property considered taxable: such was the enormous monopoly of public lands and other property by the few.<sup>21</sup> Now in the United States one per cent. of its families own more property than the remaining ninety-nine—that is, property as estimated in money values.<sup>22</sup> About seventy-five per cent. of our families are virtually without property. In 1903 more than eighty-one per cent. of the working class families were living in rented homes, while a few, about eight per cent., were able to live in mortgaged homes.<sup>23</sup>

The relative number of hired farms has been steadily increasing while the relative number of farmers who own farms has been diminishing. This result is of course desirable to the fifty-four individuals and foreign syndicates who now own 26,710,390 acres in our country;—an area greater than seven of the most populous of eastern states.<sup>24</sup> “One-fourth of the cultivated land of the United States is owned by a handful of persons whose total number is less than that of a good-sized suburb of an eastern city.”<sup>25</sup> The half-dozen groups of men who control 200,000 miles of our railways naturally desire an indefinitely greater amount of farm products in order to get profits. The cities and mining and manufacturing interests of our nation tend to demand that farmers shall increase the amount and decrease

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<sup>21</sup> The Ancient Lowly, Ward, p. 192.

Strabo Geographica XIV 668, Apulejus IX.

<sup>22</sup> Poverty, Robert Hunter, p. 44.

<sup>23</sup> Report of the Twelfth Census Vol. 2, 192.

<sup>24</sup> Privilege and Democracy in America, Howe, p. 38.

<sup>25</sup> Ibid, p. 43.

the prices of farm products which they sell and, at the same time, pay a higher price for what they desire to buy. The history of China and other old-grown countries indicates that the farmers' last state in America is not hopeful.\*

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\* [The farmer has never been able to protect his selling price. Unlike the manufacturer or mine operator he cannot withhold production until "consumption overtakes production" by closing down his farm. He must continue to plant, regardless of the markets. Unable to organize, he is at the mercy of chance and organized sentiment of the consumers. He is a wage earner paying himself wages which in many cases is nothing above a bare and lonely existence; while no one is heard to advocate a "minimum wage" for him. On the contrary, we notice at this writing (1913) a suggestion made by one branch of our government that indicates that the day has now come when the American farmer shall be sacrificed on the altar of our grasping system. The organized graspers, it seems, are about to receive the aid of the government in order to grasp from the unorganized agricultural wage earner.

"Federal Plan to Help Labor" is the headline appearing in a recently edited periodical. The article states the outline suggested by Assistant Secretary of Labor Mr. Louis Post.

"The plan," says the article, "contemplates stopping the overcrowding of the American labor market. It aims first to follow out the express intention of the department, to safeguard the welfare of the wage earners of the United States, while incidentally it will offer a solution of the problem of immigration. The plan as outlined is: First, the department act, so that immigrants may be sent to *Country Districts*. Second, the cooperation of the Interior Department in providing lands for wage earners, for the men who actually overcrowd the labor market [of the cities] \*\* and the general cooperation of the government in a farm credit system. \*\* On reaching this country the alien would \*\* be despatched to government land. \*\* The general government would provide capital under proper limitations."

'People may say that this looks after the alien and not the American," said Mr. Post, "but it will provide this system for either the alien or the American." And then, as though to apologize for overcrowding farm wage earners whom he had decided to omit from his category, he continues: "At any rate it is designed to prevent these aliens from coming here, settling in the cities and overstocking the [city] labor market to the detriment of all [city wage earners] concerned."

The pith of the suggestion is this: Let the city wage earners be protected from the evils of competition. Let the scattered farm wage earners be sacrificed and let the government help in the slaughter.

The baneful effect of our unworkable system of prices is coming home to us and we must choose the class of citizens which shall first be pushed down into the lowest degrees of poverty. We admit that the choice is a nasty one, but is inevitable so long as we indulge in the delusion that our total amount of wealth can be large when every individual unit of society is consciously or unconsciously trying to make it small.—W. H. T.]

Because of our rapid development, Great Britain is not far in advance of us in our progress toward extreme poverty for the working class. Lloyd-George, Chancellor of the Exchequer, estimate that:<sup>26</sup> "Of the four hundred and twenty thousand adults who died last year (1909) in the British Isles, five-sixths were in poverty. They left no property worth any one's while to pick up—a few articles of cheap clothing and furniture which the broker's man would not sell for rent. \* \* \* It is such facts as these—the gigantic wealth at one end that a man cannot spend in a life time of luxury, and at the other end millions burning with semi-hunger and pains of anxiety and poverty, which are producing murmurs at the heart of England which shows that there is some disease in the system."

But Mr. George failed to diagnose the disease or to mention the fact that it is aggravated by the invention of labor-saving machinery. When men attempt to get much by struggling to give little, those who gain control of labor-saving devices become unequal combatants. Extremes appear. Concentration of wealth follows. The end is but a matter of time. Thus has every nation approached its danger point as it approached the zenith of its civilization.

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<sup>26</sup> New York World, Nov. 20, 1910.

## CHAPTER VII

### RESTRICTED POWER MACHINERY

The steam engine, when used, makes, on the average, the labor of one man equal to that of one hundred and twenty men.<sup>1</sup> It is, as far as we know positively, a recent invention. When some old men now living were born, (in 1825) it was not used in manufacture in America and was only beginning to displace domestic manufacture in Europe.<sup>2</sup> If steam power was now used to assist all labor in the United States, our American working force would be equal to that of *six worlds* as populous as ours, working with the tools used eighty-five years ago. This vast additional working force would be working without wages, donating its products to us, providing not only common necessities but also such luxuries as men and machines can create. Steam and electric power would do most of the work of making machines.

We will show in the following chapters that, by increasing the number of steam and electric power machines *already* invented, there is very little labor that could not be displaced and (under our plan) re-employed. The amount of products, under a system of business which would permit the unlimited use of power machinery, would be more than we could use even if the minimum standard of living should be that which is now enjoyed by millionaires.

The present small production of consumption goods in proportion to the population, is proof that machines, in use for the

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<sup>1</sup> Progress of Invention, Byrn, p. 116.

<sup>2</sup> Ibid, pp. 6-36.

production of consumption goods, are *few*. We will see in the following chapter on The Impending Crisis, how the labor displaced by machinery in the production of consumption goods has been re-employed, and how most of the steam power has been employed.

Steam power has been little used in agriculture. Only one acre in twenty thousand is plowed by machinery, and plowing consumes sixty per cent of the energy expended in tilling the soil.<sup>3</sup> The machines which enable two men to plow, or plow and harrow, one hundred and twenty acres in a day,<sup>4</sup> and which enable five or six men to plow, harrow, seed and cover seventy-five acres in a day, and at harvest to cut, thresh and put in bags the grain of seventy-five acres in a day, are *very few* in proportion to the number of farmers. We will show that without any new inventions, machines could be used in most operations in agriculture, including the production of garden vegetables. Machine plows alone would release sixty per cent. of the energy expended in tilling the soil and still continue the present amount of products. Five or six million farmers re-employed in producing and using machines could cause what would now be regarded as a terrific "overproduction" of machinery and products. In comparison with the value of all farm property, the per cent. of value of all farm implements and machinery continued to be about the same from 1850 to 1900.<sup>5</sup> As a rule, farmers are too poor to buy machinery. And, moreover, with slow tools, and with unscientific methods of cultivation, they are continually on the edge of causing an "over-production". They are trying in a feeble way to imitate the trusts and other industrial combinations by limiting the output. By causing farm products to become scarcer they can get a higher price, and, for a time, get more money for their labor in producing them. Famine, drouth, "calamity for the other fellow" are their best friends.

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<sup>3</sup> The World's Work, Aug. 1910.

Joseph Jacobs in the American Magazine, March, 1909.

<sup>4</sup> The Technical World, Dec. 1910.

<sup>5</sup> The Abstract of the Twelfth Census, p. 217.

By examining the Census Report of 1900, we discover that in three hundred and sixty lines of manufacture in the United States, less than one dollar and forty cents a day, contributed by each employee for one year, would be equal to the money value of all tools, implements and machines used in manufacture. It is evident that workmen are selling themselves, in competition with machinery, at a very low figure. The total capital invested in the manufacture of boots and shoes in the United States was less than the price of one cheap pair of shoes for each inhabitant. The total capital in the textile industries was less than the price of one cheap suit of clothes for each inhabitant. When people cost less than iron it is evident that they are selling themselves pretty cheap. It is evident that capitalism, alone, is not the cause of their bondage. Capitalism is doing business, as here evidenced, on a marvelously *small* amount of capital in proportion to the population. Of the more than five million wage earners employed in manufacture and hand trades, in 1900, only one out of every thirteen was employed by industrial combinations, serving employers who would be likely to use expensive machinery. And those industrial combinations using expensive machinery were mostly employed in producing instruments of trade and transportation, and not in the production of consumption goods. Thus we discover that the production of "use-goods" for people is restricted, notwithstanding the invention of big machinery.

Under the right system of business, for example, the ditch-digging machine, which makes one man's labor equal to that of forty men, could be used in a neighborhood where it is needed and then transported to some other place for service. Compared with what the thirty-nine men out of every forty could do when re-employed at other work, the labor of making the machine would be insignificant. This is an illustration of what could be done in all operations in all industries where labor-saving methods are possible, if goods were produced *for use* and not a selling price. And the instances are rare indeed in which

they are not possible in the present state of applied science.

Perishable goods which are produced only at certain seasons of the year could be everywhere produced by the aid of the best existing machines, which are now used in a few places. The innumerable little competitors, who are now producing such goods, are too poor to buy the machines and will be still poorer in the event the middlemen and "back-to-the-farm army" return to the soil.\* If they were now supplied with these labor-saving machines, free of charge, they would cause a "glut" of the market and so lower the price of such farm products that they would not have money enough to buy clothes and pay taxes.

Under the right system of business the simplicity and irregular nature of work would not keep out machinery as is the case today when, for example, a cheap man loads a dray with things as heavy as his muscles can lift, and his poverty drives him to his slavish task ten hours a day. Such a man works at many small jobs during the year. No one task justifies the purchase of a "lifting crane" so the man and not the machine does the work. In all such small enterprises and simple tasks man must be used today as any other beast of burden. But he is more than a beast and for that reason he will work through long hours, even beyond the limits of strength, rather than beg or steal to get bread or shelter for others than himself—a wife and dependent children. There is in him a moral glory which seems most divine and brings in bold relief the iniquity of that "System" which, as yet, enslaves and impoverishes men. In small industries, one cannot afford to buy electric cranes, motor-driven endless belts, and the other well-known devices for doing such work. Under a system of business that would permit them to do so, machines could perform simple operations as well as those which are complex. These simple operations are the principle part of the world's work and its needless waste.

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\* [Convict farming, as is now the case in many states, is another invasion which increases the poverty of the farmer to that degree.—W. H. T.]

Iron ore is heavy. So, also, are steel rails, locomotives and armor plate. The opportunity for a few capitalists to get profits by *driving out* domestic manufacture by the factory system, and driving out former modes of transportation by building railroads and steamships, came suddenly. The cheapness of men, whose strength was insufficient and whose movements were too slow, did not prevent the introduction of very costly and most powerful machinery for this work.

Cotton is not heavy. Very cheap men, women and children can handle it. But when the invention of the cotton gin furnished an opportunity for a few capitalists to compel the majority of the civilized world to *change their clothes* from woolen and linen, human hands were too slow. In the presence of this sudden opportunity, even though *more clothes in proportion to the population were not produced*, work-people could not speed enough, except in producing the cotton in the fields. Human hands could not move ordinary spinning wheels and shuttles fast enough. Therefore capitalists hired experts to invent and perfect machines for spinning and weaving which enabled one weaver to weave as much cloth as four hundred former weavers. While this great expenditure of labor power, which caused the majority of the civilized world to change their clothes, was occurring, the scarcity of clothes, in proportion to the population, was as carefully guarded as before—a fact well worth noting. No price could have been received if otherwise. Our grandparents wore clothes which were more durable and perhaps much more serviceable than those which are in the markets now. And low wage earners did not suffer more from insufficient clothing than they do at present.

As a general rule, power machinery has only been introduced in production of consumption goods sufficiently to drive out domestic manufacture from the homes and immediate neighborhoods of people. It has not increased the per capita amount of consumption goods for the working class, though this class constitutes the large majority of the population. Any factory hand

who sees himself thrown out of work by the factory slowing down, because it has more product on hand than can be sold, sees an example of the *restricted* use of power machinery. He knows that when the quantity of the kind of goods which he is helping to produce is greatly increased, the price falls and his wages are reduced by enforced idleness. He, at least, should be able to understand that if power machinery shall ever be multiplied sufficiently to take away *scarcity* and prices out of its products, and convey goods to all who help to produce and distribute them, a radically different economic system must be substituted for the one now existing. He should now be able to see that it must be an economic system which excludes prices, profits and wages. This may seem as absurd as the first suggestion to the scientific world that "the earth was round," yet we have at last accepted the revolutionary idea concerning the shape of the earth; and the acceptance of this economic truth may, for a season, be buffeted by superstition, prejudice and ignorance; but, like all truth, this, too, must triumph in the end.

Advocates An Economic System  
which Excludes prices, profits, wages

## CHAPTER VIII

### THE IMPENDING CRISIS

The steam engine when used enables the labor of one man, on the average, to displace the labor of 119 former men.<sup>1</sup> This was a sudden and vast increase of labor power presenting itself to a labor market already overcrowded. When this sudden and marvelous labor power entered the market in modern times, representing in effect millions of slaves, killing off the majority of the working class who were forced to compete against it, was contrary to public sentiment and decidedly inexpedient. Yet steam power came crowding into the labor field, and it has come to stay. How can the new amount of labor power, in addition to all former energy, be employed! What shall be done with the 119 out of the 120 men affected by the new labor force!

Steam power machinery cannot be employed in increasing the production and distribution of consumption goods for the majority of the population. This has been sufficiently proven in preceding chapters. (See Chapter VII, Part I).

Our modern increase of labor power has mostly occurred within the memory of men now living.

Watts obtained his first patent on his invention for applying steam power in 1769. The first locomotive was built in 1814. The first railroad was built in 1825. The first railroad in the United States was built in 1826. Seventy-three years later there were 445,064 miles of railway in the world, of which 245,238 miles of track were within the United States, or enough within the United States alone to make a single track to the moon and

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<sup>1</sup> Principles of Economics, Fetter, p. 315.

more than two hundred thousand miles beyond it. The railroads of the United States had 1,318,700 cars; more than enough to reach three times across the continent from the Atlantic to the Pacific oceans.<sup>2</sup> The first railway connection across the continent was finished in 1869.

The first practical steamboat was built by Fulton in 1807; the first steamer crossed the Atlantic in 1819. Ocean steamers began to be a factor in the carrying trade in 1838. By the year 1860 thirty per cent of ships were steam propelled;<sup>3</sup> while in 1894 eighty per cent. were steam ships. In 1911 the proportion was about the same, indicating that the new work of driving sailing vessels out of business was about finished.

When the battle of New Orleans was fought in 1815 the news was twenty-two days in reaching the government at Washington. In 1898 a message was sent from Washington to London and a reply received in thirteen and a half seconds. This meant a wonderful saving of labor in carrying messages and necessarily involved the discharge of multitudes of messengers who must find re-employment in some kind of work other than producing a greater amount of consumption goods. The first telegraph message was sent in 1844. The first Atlantic cable was laid in 1858. Forty years later there were nearly 3,000,000 miles of land telegraph; while in 1911 the aggregate length of submarine telegraphs was a quarter of million miles.<sup>4</sup> The Bell telephone was patented in 1876. The American Bell Telephone Company now has more than a million miles of wire in use.<sup>5</sup> It is estimated that more than sixteen million miles of wire are now in use by the people of the United States in telephone and telegraph lines.

A part of the labor displaced by steam power has been re-employed in producing these new instruments of communication

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<sup>2</sup> Documentary History of the American Industrial Society. The Arthur H. Clark Company.

<sup>3</sup> Progress of Invention, Byrn, Scientific American Office, pp. 6-36.

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

and transportation on land and sea. Although the work was vast it was quickly accomplished by the displaced laborers, who were at these tasks re-employed.

Steam power has also been largely employed in the work of displacing domestic manufacture by the *factory* system. This great work has also been accomplished in a very short time. All weaving in America was done *by hand* previous to 1815. In 1813 there were not more than twenty-four hundred power looms in the world. Forty years later the power looms in existence were able to do the work of two million hand looms. One workman spinning had become equal to seven hundred former ones.

When all industries are considered, the tool-using "household industry," on farms and in homes where the greater part of the things used were produced in the families, was still the typical organization in the United States seventy-five or eighty years ago.<sup>6</sup> In 1825, in Europe, the introduction of power machinery in manufacture was causing the alignment of the slaves of machinery against the system of the division of labor and the destruction of home industries, but in America the factory system did not exist.<sup>7</sup>

Building factories and their machinery, factory cities, with tenement houses for employees and homes for the employers and stores and office buildings and dwelling houses for traders and their agents, absorbed a great amount of the new labor power of Europe and America resulting from the application of steam power to machinery. Thus have the dinner-pails of the 119 men out of every 120, affected in the change, been comfortably filled. While machines were multiplying rapidly and being employed principally in building railroads and those railroad cities which are part of the system, steam ships, factories, etc., the displaced labor could be increasingly re-employed in such work, and at the same time machinery could diminish the number of per-

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<sup>6</sup> Popular Electricity, Jan. 1911.

<sup>7</sup> Modern Industrial Progress, Cochrane, p. 47.

sons needed in the production and distribution of consumption goods.

The human labor previously employed in building many small cottages in the country was now largely employed in building the one large tenement house, in the factory city, into which the same number of work-people were more closely crowded. The human labor expended in building a factory and its machinery was not *greater* than the previous labor of making many simple tools and little factories, in country homes and villages, which were driven out of business by the one factory. The human labor expended in building the larger number of sailing vessels was now employed in building, with the aid of steam power, the smaller number of steam-ships which displaced the former and caused them to be thrown on the junk heap. The number of men, in proportion to the whole population, who were employed in building railroads, aided in much of their work by steam power, *was not greater* than the number previously employed with simple and slow tools, in making former instruments of transportation and distribution on land and on sea. (See Chapter XI, Part II).

The work of *displacing domestic manufacture* in our country, which has filled the dinner pails so effectually, cannot continue, for little domestic manufacture now remains to be displaced. We have scarcely a local butcher or blacksmith but depends on others for his supplies. No one can suppose that railroads can continue to multiply at the furious rate of the past sixty years. They are now sufficient to haul the freight of our country and they are competing on smaller profits and are forming combinations to reduce expenses to avoid bankruptcy. In proportion to the cost of living, the railroads have reduced the wages of their employees until strikes are not infrequent, and at times threaten to become so widespread as to cause famine in our land which has evolved a dependence on the "wholesale centers" for food and clothing.

The vast army who have been displaced by the "iron giant",

finding their task about finished, are beginning to look about for employment with which to fill the stomach and procure the necessities of existence. They are discovering that somehow they have disemployed themselves, for they cannot go back to the little workshop by the side of the mill-wheel, for it is not there. They cannot find employment in the fewer big factories, because these can now make more than can be sold and not run full time. There are no new railway systems being planned, but only here and there a connecting link, so that the army of town builders—carpenters, brickmen, artisans of all kinds—are beginning to experience a pause and are becoming idle much of the time. Men cannot get back to the farm to any extent, and if they could they would find that they would produce an over-production and could not market their crops.

The steamship lines are also combining to cut expenses by employing fewer men, in order to give dividends to their owners a little above rates of interest. Their wage earners are reduced to the lowest standard of living that civilized men will endure. (See Chapter VI, Part I).

In conjunction with these growing economic changes and stress, a world-wide strike is being planned by workmen who have not the knowledge of their real enemy.

Domestic manufacture is now about displaced by the factory system in Europe and America. No more factories, under the present system of economics, are needed for the present population of the entire world. The temporary advantage of Europe and America competing with uncivilized nations, the one working with steam-power machinery and the other with hand tools, has lifted the living standard of Europe and America on account of the great balance of trade in their favor; but when China and Japan attend to their own manufacturing by the aid of steam power and modern methods, manned by cheaper human labor, what then shall support our higher standard!

Factories also are now combining to reduce expenses in order to pay dividends a little above low rates of interest. As

a general rule they do not run at their full capacity and they frequently slow down or suspend operations until consumption overtakes production.

Thus we see that the new labor power caused by the application of steam to machinery has acted like an invading army of Goths and Vandals in the labor world—usurping the function by which human beings formerly gained their daily bread, while the displaced laborers have been blinded to the fact by being able to find re-employment in an evanescent and temporary occupation, namely: the substitution of one mode of transportation and method of manufacture for another—causing people to change their clothing from woolens and flax to cotton and shoddy without giving them more of the latter, causing them to go to the cities to live instead of the purer atmosphere of the rural communities.

But whatever value these changes may have brought, they have not provided a greater amount of food, clothing, fuel or shelter for the majority of mankind and a question of stupendous importance to us is found in the fact that this vast and wonderfully sudden task is about finished. How then, in the future, can this tremendous amount of capital and labor continue to find employment! It cannot be turned to producing consumption goods without causing an overproduction, which in turn would cause suspension of business and general bankruptcy and unemployment, riot and bloodshed throughout the civilized world. And if this amount of labor and capital should become and continue to remain idle the same result would follow.

Workingmen, who have been the hired butchers of their fellowmen from the time when money was first invented until now, have national and international organizations. Many of them ignorantly but sincerely believe that their employers, including the chief leaders in Church and State, are the causes of their increasing poverty and are lighting the "fuse" of class-hatred. Their poverty and unemployment are now more than they are willing to endure and a further contempt of these facts

by the comfortable citizens would be more dangerous than the bitterest tirades of the most radical agitators of our time. A great and comparatively sudden increase of their poverty would cause the lighted powder to reach the magazine. Can there be one so blind to his own safety as to fail to read the warning of the "increasing high cost of the necessities of life"! Does there appear a man who can tell us just how much higher these common things will go in price? No: but we are assured by the wise that they will go higher and not lower; and the high cost of living is not the most serious problem. It but indicates a danger far more serious than those who complain may believe.

A crisis, paralleled in history by the closing scenes of every other fallen civilization, is impending!



PART SECOND  
THE OTHER SYSTEM



## CHAPTER I

### THE OTHER ECONOMICS

Only one other economic system is imaginable. We would not ask our government to create an economic experiment to test one economic system in preference to *many* others. There is only one other and it has never been tested by experiment.

The present economic system is a system of grasping. The only other one imaginable is a system of giving. This fact is shown in every period of business depression on account of "overproduction." Everyone knows that in such a crisis production and distribution could continue and increase indefinitely, if capital and labor would agree to keep on working without profits and wages and everywhere would produce goods and distribute them among those who assist in producing and distributing them. Of course, there is no probability of this ever being done in the ordinary course of business; therefore, we are about to suggest an extraordinary course. A direct reversal of the aim of business from prices to no-prices, from profits to no-profits, from wages to no-wages, or from *grasping* to *giving* is the only other ruling principle for a system of economics. The history of thousands of years proves that "grasping" produces poverty for the majority of workmen. The opposite principle could, at least, do no worse.

An economic system may be either crude or highly evolved. The present economic system of grasping began in a crude form in the cave and jungle when men thought that they could get much by giving little. From the beginning until now it has made use of both competition and co-operation. Inven-

tions appeared and the struggle began to be unbalanced. Extremes began to develop. Concentration of wealth became inevitable. Men organized into fraternities, or tribes, for the purpose of getting human flesh for food, or for getting possession of property in the former possession of victims. The economic system became more highly evolved when it was discovered to be more profitable to let captives live, because their labor as slaves was worth more than the meat on their bones. Slaves then became serfs and finally free laborers underbidding each other for a chance to support themselves. Thus hunger was substituted for the clubs of overseers, and trade in labor and products was substituted for direct robbery. A scarce medium was evolved to assist concentration. Politics grew and laws were enacted in the interests of the most powerful graspers, who, as a general rule, have had control of legislation in every age. What men grasped, in accordance with the laws thus enacted, became their private property, and their conventional property rights were defended at any cost of money and blood by the nations. The more powerful grasped the means of life, in order that the unsuccessful graspers should be compelled to sell their labor at the low price demanded or go naked, shelterless, and hungry. Co-operation increased among the graspers in order that their grasping might be more successful.

A co-operative group could get control of more of the means of life and compel a greater number of men to give them their labor for the privilege of existence. All they needed to do was to manage the toilers, or pay agents to do the managing for them. Hired armed men with deadly weapons were necessary to hold the toilers to their tasks. Eventually, Custom, Hunger, and Want, serving without wages, were sufficient to hold the working class to the hardest toil through long hours. Thus the economic system of grasping evolved, so that now we have the great co-operative societies and iron and steel corporations and other capitalist organizations, and the small individual capitalist who

gives a money wage or a share of the product to his hired servants.

The gun has become a machine-gun in bloody wars, but it is still a gun whose ancestor was the war-club. The instruments of commercial war are also highly evolved, but their purpose is unchanged. The object of trade is not to *give* but to grasp. The little graspers are now sending up cries of complaint against the big graspers who form co-operative fraternities among themselves and drive the little graspers out of business. Being voters and more numerous they are giving much trouble to congressmen who do not see how to hold their offices without granting free competition in the business of grasping. The demand to destroy the trusts is like a demand to destroy the machine-guns and to return to the exclusive use of war-clubs. Wars were no less deadly or brutal when innumerable small clans were slaughtering each other; and the destruction of the trusts would no whit lessen the general amount of grasping.

By grasping a large amount of money, or a scarce medium of exchange, it is now possible to sit in a parlor or fashionable club-house and cause men to build tenement houses at will, in one or two rooms of which each family of the men who did the work of building them, shall be herded—a bare existence their pay.

An economic system of giving, might be crude or more highly evolved; but the ways are simple. Generally they can be explained to a child. The Other Economics only requires society to do in a public way what every member of society is now doing in a private manner when any two friends are donating services to each other after business hours. All the rules of The Other Economics are exhibited in family life, in school-room, in church and in polite society everywhere outside of the industrial pen. On the other hand, the ways of grasping are often indirect, hidden, and mysterious to policemen, detectives, judges and philosophers.

Co-operation and competition may be used in both sys-

tems of economics. *Co-operation is not another economics.* There may be competition in giving and co-operation in grasping. Gangs of thieves are co-operative. If they should combine into one great gang, or into a gang including all men, in order that all might steal from all while co-operating in business, they would still be a gang of thieves. They would appoint a committee to distribute the spoils, so that each thief, big and little, should receive the "full amount" that he had stolen, as honor among thieves requires. The average thief, of course, could not receive more than he could have obtained, if the business was not co-operative.

The "co-operative commonwealth," as conceived by many who use that attractive term, is nothing but a further evolution of the business of grasping which we inherited from primitive men who inherited it from lower animals. They would get into politics to help evolution further evolve that system of business. They believe that they—the little graspers—could thus grab more than they are now able. Their imagination pictures what they could buy if the profits now in the hands of a few big graspers, were secured by them. They would get into Congress and become a co-operative grasping capitalist trust to further grasping. Then, by some unexplained acts of congress, the few grasping capitalist-trusts would become the Capitalist State, grasping for profits to be *made out of everybody and given back to everybody*,—minus the running expenses of the Capitalist State.

I come not to destroy hope in the heart of the toiling multitude; but to point a way by which hope may result in fruition!

If such politicians should buy the property of the trusts and all property that should be collectively owned, and pay the present owners with interest-bearing government bonds, they would perpetuate a monied aristocracy and the present economic system. If they should attempt to seize all capital by the use of force, they would cause destruction and bloodshed, which would

do nothing more than to increase the scarcity and prices of goods—also greatly increase the scarcity and prices of working men.

The leap from a capitalistic form of government to a "commonwealth" is so confused in the minds of many that they think that a different name for a government would result in a different economic system. The fact which the people ought to know is that the present system of business means poverty for the majority regardless of the form of government. And that the "gap" is so wide and deep that lies between "producing goods for use" and "producing goods for a price," and the differences between a grasping system and a system adjusted to giving are so radical, that no nation could bridge the "gap" or make the change by attempting to do so from the *top* of the nation, *i. e.*, applying it, untried, to the nation as a whole.

If the trusts and all capitalists should voluntarily combine and become the "Capitalist State" such a co-operative commonwealth would collapse as soon as formed. Everybody would be a partner in the big business concern, demanding his share of profits—in goods if not in money. When everybody is getting profits out of everybody, *no one is getting profits*. Profit and loss would be equal. Every exploiter would be exploited. It would be like two thieves picking each other's pockets or like a python swallowing its own tail for food. There is no way to wealth for the majority, while conducting business on the short-sighted policy of grasping.

An economic system cannot be operated by one person or city or community acting alone. One man laboring to give while all others are grasping, would fare as badly as an unbusiness-like pig in a pen, which should get it into his head that "It is more blessed to give than to receive" and act in accordance with that principle of economics. He could not act like a Christian gentleman in anything that related to "scarce food" and continue to live.

A society of men organized for co-operative giving, who

should give to all men indiscriminately, would soon become hungry, naked and shelterless, if all the rest of the world struggled to grasp rather than give. Ordinary intelligence would cause them to confine their gifts to members of their own business organization. And they could not live and grow in wealth by confining their donations of labor and products to members of their own circle, if they did not have possession of a *sufficient variety* of the bounties of nature and *sufficient intelligence* and skill to use them.

An economic system does not consist in the *moral quality of motives*. A steam gang-plow, managed by two men, plowing one hundred and twenty acres in a day, will plow more than fifty times as many acres in a day as a single plow drawn by a span of mules, even if the men managing the steam plow swear like demons.

The Other Economics appeals to intelligent self-interest a thousandfold more than the present system, as we shall show. The notion that the moral regeneration of society is necessary before the present economic system can be abandoned shows a strange blindness to what human nature is now doing. Unregenerate men will endure toil, and will risk their lives to abolish poverty from their families and to defend their loved ones. Bad men will lie, steal and kill to escape from poverty. They will play the hypocrite, pray in public "to be seen of men," give alms, and advocate political and religious doctrines which they do not believe, if the salary is sufficient to enable them to escape from poverty. *Bad men would outwardly conform to The Other Economics*, if it should be clearly demonstrated to them that they would receive, as Jesus said, "a hundredfold more" worldly goods by so doing. And good men could not fail to prefer to attain wealth under a business system of giving, instead of grasping.

The regeneration of the hearts of men is of supreme importance, but it has nothing to do with the working of a steam engine or the relation of cause and effect in an economic system.

The best two saints in the Christian calendar could not have made forty thousand enameled bricks in a day with hand tools, but two sinners and a machine can do so today. Good men and bad are now in subjection to the economic system of grasping. Much of the wickedness now existing is caused by the system of business which dooms the majority to poverty and the wealthy few to the perpetual fear of it. Most men are now infinitely better at heart than the evil system that dominates them.

An economic system which is an extension of the principle of universal benevolence into business, should be greatly desired by all good people. We are the children of our conduct. We do not really attain goodness until we have practiced it. The owner of a coal mine, who manages his business as it must be managed if he avoids being driven out of business and who sings and prays himself into a more humane state of mind during one hour on Sunday, may be one of those who are "born again"—spiritually he is a crippled infant. He needs the deliverance that would give him opportunity to exercise that humane feeling throughout the six days of the week. Spiritual powers, as the physical, will atrophy unless exercised. A further silence of the Church concerning the evils of a business system that prohibits the spiritual exercise of "giving" will seriously damage her future potency.

Hypocrisy if practiced long enough cures itself. When the outward act has been so often repeated that it becomes a habit the act is performed spontaneously. The inner character of the man has at last conformed to the character of the act. Patriotism which was originally nothing but a selfish desire for personal protection against enemies, causing families to unite into tribes and tribes into kingdoms, is now a benevolent impulse and classed as a virtue. Whatever the original motive may be, the outward conduct, when it becomes an established custom, results in change of character. The introduction of The Other Economics would therefore greatly hasten the spiritual regener-

ation of mankind by giving freedom to the spirit of brotherhood, now shackled in bonds of poverty.

The churches cannot accomplish their mission until they accept the economics of Jesus as well as his proofs of immortality and the all-embracing love of God. They must first have the courage to extend the spiritual laws of "the kingdom of God" into the business world, as Jesus would have done, if the chosen people or their representatives had not rejected him.

The Other Economics based upon the principle of giving, instead of grasping, would, as we will prove, cause the economic salvation of the world. It would abolish poverty and give material wealth, in the sense of comforts and necessities, to all workmen. We will show the only practical way, as it appears to us, by which to cause the nation to accept this revolution without bloodshed, and to accept it quickly and gladly.

## CHAPTER II

### **THE OTHER ECONOMICS—CONTINUED**

#### AN OUTLINE

#### 1. *LABOR AND PRODUCTS SHOULD BE DONATED TO THE COMMON GOOD.*

(a) Access to the bounties of nature sufficient for a circle of industries.

(b) The collective control of labor.

#### 2. *PEOPLE ARE CAPITAL.*

(a) Poverty prohibited.

(b) The aim: wealth and leisure without limit.

(c) The key: unlimited use of power machinery and labor-saving methods.

#### 3. *PRODUCTS DISTRIBUTED ACCORDING TO THE RULES REQUIRED BY THE COMMON GOOD.*

(a) Giving to those who co-operate in giving.

(b) The object-lesson for the benefit of all men.

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Only a brief explanation will be needed to enable one to see that benevolence guided by common sense would naturally suggest the above outline of economics and that *self-interest*, if sufficiently intelligent, would accept it.

## 1.—LABOR AND PRODUCTS SHOULD BE DONATED TO THE COMMON GOOD.

The Creator began the business of the world by donating all things; first his labor and afterward the fruits of his labor.

Out in the country, every year, some kinds of food supplies are rotting on the ground, while they are needed by working-class people in the cities not far distant, though the bread winners are engaged in hard labor through the day. The price of these supplies has fallen so low, on account of their abundance, that no one will transport and distribute them. There is no price to be obtained for them that will give a living profit after the price is paid for transportation. They cannot be moved from the country to the industrious poor in the cities who need them, except by *donating* labor and donating the means of transportation and distribution. This illustrates conditions in all industries. Necessaries and luxuries cannot be produced and conveyed to the industrious poor unless the labor and the goods are donated. Therefore, it is evident that under an economic system aiming to abolish poverty and to give wealth to all, labor and products must be simultaneously donated to the common good—giving must be substituted for grasping; “giving much” must be substituted for “giving little” in order to receive the superior reward of “plenty.”

(a) *Access to the bounties of nature sufficient for a circle of industries.*

With access only to coal deposits the members of the business organization under The Other Economics could donate to each other nothing but the coal that they might be able to dig with their hands without the aid of tools. They could not eat coal nor use it for clothing. They should therefore have access to a sufficient variety of the bounties of nature to produce for themselves the tools of industry and the use-goods, including modern homes which the workmen are now producing for the

rich. They could not continue in business by buying the bounties of nature and donating labor and products.

The use of a sufficient variety of the bounties of nature should be provided by the national government.

(b) *The collective control of labor.*

We might use the word ownership for a man really owns what he controls. "Ye are not your own" is a sentiment to which we do not object when at church and the text is: "Inasmuch as ye did it not to the least of these, ye did it not to me," although the text refers to water supplies, and food, clothing and shelter. The holy text is nothing at all, but a mere *business* proposition. It is a law of the right economic system on earth; but many good men foolishly direct their eyes reverently toward some "New Jerusalem above the clouds" where that economic system prevails in production and distribution of spiritual comforts and luxuries. Why not apply the law *beneath* the clouds as well as *above* them!

Work-people sell themselves at a very low figure and have always done so. They are not their own, except when they are *out of a job*. The tradition of the auction block, on which their ancestors of all colors were sold to the highest bidders, survives among the working class so that the occasional opportunity of choosing their *owners* seems like a great emancipation, worth all the blood that has been shed to obtain it. We do not see why they should object to being collectively owned when they would be the collective owners. Workmen need to know that economic salvation *for them* is a social affair, and that liberty cannot be obtained by them until they renounce liberty and become the "servants of all."

The subordination of the individual to the common good is not regarded as unjust by any nation in time of war. When the common defense is supposed to require it, men are *drafted* into the army against their will. If they will not labor and risk their lives for what is believed to be for the common good, they

are regarded as criminals and punished. Under The Other Economics, all citizens if they would not volunteer, might consistently be likewise drafted and compelled to assist in the national struggle against *excessive labor* and *poverty*. The shocking element of this kind of patriotism lies in the new *class* of our citizens to be benefited and not in the means employed. But men would volunteer, if an object-lesson created by the government in an economic experiment station should demonstrate to them that under the new system of business wealth and abundant leisure could be given to all who *donate* their services to the common good.

A lone man in the wilderness might be the rightful owner of his own labor. He might find roots, wild berries, bugs and larger animals that he could, *without human assistance*, obtain and eat. *On any higher plane than that he cannot supply his own wants.* Some reformers tell us that "if a man's labor produces little, he should get little, and if he produces much he should get much, and that every man should get all he produces." It is strange that any sane man can hold this opinion seriously. *Individuals are not producers.* The man who claims to have produced cotton did not produce the soil, climate, the knowledge of the use of cotton, his food, clothes, agricultural implements, nor the market where he sells his cotton. No law of equity can make him the rightful owner of the crop, because *he did not produce it.* To discover just how much cotton a man really produces he should be placed alone and naked on this planet for a year. His present amount of contribution to the production of a bale of cotton cannot be estimated by any human committee. If it could be estimated and he had it in nothing but cotton, he could not live until next pay day. "Ye are not your own." When we try to be our own we are trying to be thieves—robbing both ourselves and society.

## 2. PEOPLE ARE CAPITAL.

If anyone hesitates to admit that people are capital and

would be convinced of the truth let him attempt to live among savages where he can have no communication with civilized men. The bounties of nature are there; but they would not produce for him a palace, an automobile or paved streets, or weave for him broadcloth and fine linen. If he owned all the bounties of nature in that region, where would be his capital!

Capital produces income, for otherwise it would not be capital. Let him improve those savages and his income increases: therefore *they* are his capital. *People, and not the sources of raw material, are capital.* They produce all income except crabapples and other wild fruits and the raw flesh, that may be torn from the bones of men and animals. People would be recognized as capital under The Other Economics, but people are the only real capital now. There has been a fearful waste and destruction of real capital under the present system of grasping.

Money produces nothing. It cannot move itself a hair's breadth from the place where it lies, much less, *make a pair of shoes*. A steel plant cannot produce an ounce of steel. We have been very superstitious about such things. *Men* produce the steel plant and produce the steel by means of it. The primary wealth which produces the product, or income, is the people who produce and use the tools of industry. The bounties of nature were not produced by men. They belong to no man by right of production. Our smartest capitalist standing *alone* in the midst of them could not saw a board, weave a yard of cloth, and probably would not be able to kindle a fire. With the earth in his possession he would not be a capitalist. People produce our incomes. People are capital.

This point of view, while differing from other economists harmonizes with a *human* system of economics and gratifies our common spirit of benevolence; and *self-interest*, when guided by common sense, is also gratified. Self-love is as holy as love. Take either from human nature and the result is not a man, but a monster. Self-interest and greed are different attributes. Greed

wants more than is good and is blind to the wants of others. Self-interest wants enough of nature's goods, without injustice and hurt to those who help produce and deliver it.

A commonwealth regarding people as capital would seek to guard and improve people as energetically as capitalists seek to guard and improve what they now falsely regard as capital. It would cultivate and protect people as faithfully as a practical farmer cultivates and protects cornfields. He gives them his labor, feeds them with fertilizers, and protects them with safety devices in the form of fences and scarecrows. So a commonwealth or a common-sense-wealth would do when people are recognized as capital. Men with intelligent self-interest would struggle to give to each other trade secrets, big machinery, shorter hours, comfortable homes, opportunities for self-improvement, healthful and uplifting recreations, and all other "fertilizers" which promote the development of talent and ambition and thus increase the *economic value* of individuals to society—thus increasing their own wealth. Our government under a humane system of economics would become more sensitive to the overcrowding of people in tenements and shops than it now is over "foreign relations" or "national honor." It would avoid crowding people like beans in hills too close to thrive and would thus more certainly produce healthy and sturdy citizens.

There is a man seeking work. He is poorly nourished and poorly sheltered. His wife and little ones whom he loves more than himself are liable to be thrown out into the streets for non-payment of rent. He is in despair and is thinking of becoming a consumer only, and not a producer of goods. He is tempted to become a beggar or a thief. Under our present inhuman system he is *idle capital* going to ruin. And he is liable to ruin much primary wealth which is employed, for his example will influence other men and he may organize a gang of thieves. If he were a steam engine our present system would give him shelter and whatever he might need to increase his effectiveness.

Under humane economics, intelligent self-interest would demand the improvement of *people* to the utmost. The moral nature of men would not have to be changed before accepting The Other Economics; while on the other hand we believe that the abolition of poverty would hasten the moral regeneration of all men.

(a) *Poverty Prohibited.*

This follows from the proposition that "people are capital." *Yes*  
Poverty injures people. *Yes*

Even at the present time there is a degree of poverty which is considered criminal. If a family should build a "shanty" on one of our fashionable avenues and go naked, or half naked, they would be arrested and sent to prison or into its twin-horror, the slum. There is no reason for not placing the standard of prohibited or criminal poverty a hundred times higher, except the existence of the inhuman economic system whose existence depends upon the perpetuation of poverty. On account of our business system which most good men consent to, the standard of criminal poverty is very low in all Christian countries, as low for that matter, as in the heathen lands. In sections of cities where work-people live, nudity on the streets is not criminal, if it is partly covered by rags. Under a humane economic system the government would arrest the man who compelled his family to walk instead of furnishing them with an automobile. The standard of living which one would have to adopt in order to avoid being arrested as a criminal, or being sent to a reformatory institution, would be, at least, vastly higher under The Other Economics when the value of *people* surpasses the value of *things*.

Poverty is purely a social disease, capable of being cured. We are criminals when we *willingly* accept it for ourselves or for others. It represses mental growth and injures the body. It causes war, theft and most of the sins and sufferings of mankind. *Contentment with poverty leads back toward the cave.* In a government aiming to attain the highest attainable

standards of living for its members, one who *would not* cooperate for this purpose would soon be considered an anarchist and law-breaker and the chiefest enemy to his country. He would be "insulting the flag" which would then float over "living issues" in the fullest sense of the term.

Theft was made a criminal offense against society, because that direct method of getting something for nothing, by becoming common, would ruin business. The business necessity of forbidding theft came first and the *moral sentiment* against theft came afterward. Under The Other Economics, refusing generally to receive donations of wealth would ruin business and cause production and distribution to cease. Men would ruin business by persisting in poverty and dirt. They would injure the capital of the nation when injuring themselves; for men would be capital.

(b) *The aim: wealth and leisure without limit.*

The Almighty is wealthy. We do not sin in aspiring to be like Him. But He never would consent to becoming rich by the *suffering* of others. It is this cruelty in present-day wealth-getting that gives it its "unrighteous" stigma. Such wealth can be sanctified and regenerated now if it be turned in the direction of The Other Economics and become active in securing "wealth for all."

While producing a sufficient supply of necessities for its members, the new economics should use the surplus labor power in producing all innocent luxuries of which the bounties of nature and human skill are capable. The struggle should be to raise the minimum standard of living to that which is now enjoyed by the most fortunate.

They who denounce luxury and leisure of the sane sort know that they are not evils for themselves. Those religious sects which have made a virtue of poverty and a sin of luxury worshiped a false god and have usually changed their idol when wealth came *their* way. Those rich people who try

to believe that they believe that luxury and leisure would be distasteful to the poor, are only trying to make themselves comfortable in the presence of impoverishment and the toiling multitudes. Generally, in our country, the rich have experienced both poverty and wealth. We have not yet heard from any one of them who prefers for his children, poverty and long hours of daily labor by which to supply a "bare subsistence."

The increase of wealth increases the desire for wealth and the opportunities for leisure for *higher pursuits*, which wealth provides. It was not wealth and luxury that caused the decay of ancient civilizations—but its *concentration*. It was caused by the poverty of the masses, and by the system of repression and plunder, by which the wealth of the few was obtained—the same system, by the way, that we are today struggling to perpetuate. No millionaire has enough. Thou shalt be forever discontented, is a law of progress. Material wealth is the lowest form of wealth. When physical needs are supplied discontent for intellectual and spiritual wealth will be found driving the race to a higher plane of existence.

The desire for wealth is in the working-class. When their poverty is abolished, their sleeping ambition for nobler wealth will be awakened. Our millionaires and the common crowd below them who are struggling to rise and are crushing under their feet the weaker—all of whom would fight their way to the top if they could—must understand that *The Other Economics would not cause any class to be less rich than it is now*. The claim that "labor now gets only about one-third of the wealth that it produces," ought never hereafter to appeal powerfully to the majority of the intelligent working class. The inner soul of the lowest wage earner in the slum should aspire to *more* than that. When the man who has been getting a dollar a day gets three dollars, his ambition expands and becomes more nearly human.

There are, of course, physical and mental wrecks, caused by poverty and despair, who are exceptions to the rule. But after a few months the working man, who has a family for

whom he has ambitions, feels the pinch of poverty more after his wages have been increased than he did before. This "get-all-you-produce" appeal does not kindle the enthusiasm of the working class along sane or safe directions; and the capitalist and students of economics know that it is foolish while business is conducted under a "grasping" system of economics. They know that profits, on the average, cannot be much reduced whether business is conducted by capitalists or congressman under Stand-Pat, Progressive or Socialist Party unless goods be produced without prices, profits or wages and produced for "use."

(c) *The key: unlimited use of power machinery and labor-saving methods.*

At Niagara one man can start or halt a power equal to that of two-hundred and fifty thousand men. It is estimated that more than a thousand million man-power, in the form of hydro-electric power, can be developed on unnavigable streams in the United States. This power can be conveyed on wires over long distances and set to work, with some human assistance, providing necessities and luxuries to supply human wants. If men were not in despair, believing that the economic system, under which we are compelled to do business, demands the continuance of about the present amount of consumption goods in proportion to the population, we would be thrown into great commotion by this new discovery. We would be more joyful than we are now when the election returns show that the President shall stand on *our* party platform during the next four years and may add or deduct a cent or two per pound or per yard to the price of what we buy.

This new labor power will work day and night without wages and without weariness. It can do most of the work of building dams and manufacturing machinery. What it cannot do, steam power can. Few men are needed to handle levers and throw switches. Electric motors, big and little, manufactured

by the aid of power machinery, can do nearly all kinds of hard work. To this new working force we may add the possible multiplication of steam power machines to which there is no known limit. This possible productivity of labor by means of applied science, could transform the raw materials contained in nature into articles of necessity and luxury sufficient to give wealth to all who assist in producing and distributing it.

While that would be an unendurable "overproduction" under present laws of business, adjusted as they are to perpetuating *scarcity for prices*, under The Other Economics which aims to donate wealth to those who work and adjust the laws of business to producing "plenty," existing machines for increasing the output of labor could be multiplied, without overproduction of machines or their products, until every necessity and luxury that men and machines can create are given to all who assist in their manufacture and distribution. This, as we will prove in following chapters, would raise the minimum standard of living until it would be equal to that now enjoyed by the most fortunate.

### 3. PRODUCTS DISTRIBUTED ACCORDING TO THE RULES REQUIRED BY THE COMMON GOOD.

This follows naturally from the donation of labor and products to the common good. A donor relinquishes all legal claims on what he has donated, for otherwise it would not be a donation. Whatever the donors receive from the commonwealth would be a free gift and *not the payment of a debt*. There would be no prices and hence no profits or wages.

Special donations by the commonwealth to individuals should reward their past and encourage their future usefulness. A committee of experts could find a way to distribute rewards of merit with greater regard to individual interests than is now possible under the present system which tends to *purchase* places of honor and fame with money. When the minimum standard of living shall include all necessities and all ordinary luxuries,

those luxuries, which would be rare, on account of the small amount of material in nature, or the great amount of skill required in producing them, could be used as special donations to individuals for reward of merit. Even more potent would be genuine marks of honor bearing with them public esteem and title, for after these even our multimillionaires strive.

(a) *Giving to those who co-operate in giving.*

A business organization donating labor and products to the world of graspers outside of it would soon have nothing to donate. All products should be retained for distribution and use among the work-people. We will see in our further discussion that under The Other Economics industrial pursuits, now of such tremendous importance, would occupy *so little* of any one's time that he would regard it in the light of recreation and a preparation for any loved occupation to which his natural talents might be adapted. We will also see that Fraternal Individualism can be attained equally well, and better, under the suggested system.

(b) *The object lesson for the benefit of all men.*

A business organization under The Other Economics formed and directed by the government, at first glance, seems to be "class-legislation" or "class-preference" and to be self-centered and most heartless in its relation to the world outside of it; but it is a government experiment for the *good of all* and the only peaceable way of escape from the present conditions and as such would justify all the seeming special aid given it.

The members of such an experiment station as is being suggested do not trade with outsiders nor *among themselves*. They neither buy nor sell. There is no "graft," for the right man in the right place is desired by all; and having donated his labor he is not the subject of envy. They are building homes,—palaces if they can,—for every one of their families, while industrious families outside of the Station employees, are living in cellars, garrets and hovels. They are making automobiles until every

family within the organization has one or access to one. The industrious poor of the outside might come to them and beg for work but they must refuse to employ them, for otherwise it would retard the demonstration. Their circle of industries has not yet proven its powers and is not prepared to enlarge. The great change would come later. Should they receive a new member they must build and provide for him. When they have raised the minimum standard of living for their members as high as possible with labor saving machines and methods, they will be an object-lesson to the world showing what the nations could do by adjusting themselves to that system of business by the practical method of absorption. The employees in this public enterprise are preparing a revolution without bloodshed and should be segregated and defended while doing so even if it required the combined forces of army and navy to protect this form of public benefaction. When declared a success, the national adjustment to The Other Economics would give real and valuable employment to public servants and experts.

The Other Economics is not an impractical dream unless we say that Jesus was a mere dreamer; for He who was a mechanic and philosopher whose mental powers were so great that the majority of the scholars of Europe and America regard him as both human and divine, said, that the material wealth of the people would be "a hundred fold" greater under a system of business whose ruling principle is to "give" and not to grasp. Moreover the form of industrial enterprise would conform to those institutions which, above all else, are our national pride and glory,—the home, the church and the public school.

When it is thus demonstrated that under The Other Economics those who are now low wage earners could live like millionaires then a bloodless revolution will be already accomplished.

## CHAPTER III

### OUR RESOURCES

Among those who worship false gods should be classed such as assume that Providence is pleased with poverty.

We produce in the United States eighty per cent. of the world's supply of cotton; while we cultivate for the production of cotton only about *three acres* in one hunderd of the area of our cotton states.<sup>1</sup> The present cotton crop of the world, with the best methods of cultivation, could be produced in one-fifteenth of the state of Texas. There are vast areas capable of cotton cultivation in South America, Africa and Asia. One company, recently organized, has possession of a half-million acres in Korea for the purpose of growing cotton. The time is not distant when with the same machinery and with wages at *twenty ents a day*, or less, Asia will drive us out of the cotton industry if the present economic system, through our blind stupidity, continues. More than enough cotton to supply the race can be produced, as far as the bounties of nature are concerned.

Recent inventions make it possible to produce linen as cheaply as cotton. Flax has this advantage: it can be grown in all climates where agriculture is possible. Sheep and wool can be indefinitely multiplied. There are no known limits imposed by nature to the production of natural and artificial silk.

Within a radius of fifty miles from Boston there is enough uncultivated land suitable for farming to feed three million people and to have a surplus for export.<sup>2</sup> No one knows the possible productivity of an acre of land. Agricultural colleges and the

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<sup>1</sup> Distribution of Products, Atkinson, p. 49.

<sup>2</sup> Sylvester Baxter in The Outlook, Sept. 24, 1910.

United States Department of Agriculture have demonstrated that when the soil is less productive it is not the soil, but the farmer's intelligence, that is exhausted. Foreigners, who have been accustomed to obtain crops on land that has been under cultivation for a thousand years, have been coming into New England to take the places of those farmers who do not know how to prevent the soil from becoming poor. The yield of corn per acre in New Hampshire is more than that of any other state. Connecticut is second in rank. Massachusetts is ahead of Illinois and Kansas. The value of agricultural products in Massachusetts increased thirty-eight per cent. during the ten years between 1895 and 1905. By the right selection of seed and treatment of soil, corn yields one hundred bushels per acre, and corn improvement is in its infancy.<sup>3</sup> The average yield of potatoes in Prussia is four hundred bushels per acre.

By a better selection of seeds alone the product per acre of all crops could be more than doubled. That would add to our tillable soil *another* America. And still another could be added by bringing into general use the best methods of fertilization and rotation of crops already known.

Meanwhile, most of continental United States is really unoccupied. If Texas had a population per square mile equal to that of Massachusetts, its population would be just about equal to the present population of the United States.

The primitive and laborious method of fertilizing the soil is no longer necessary. The sources of supply from chemical fertilizers are *inexhaustible*. The manufacture of lime-nitrogen requires but little labor. A fifty-three thousand horse-power hydro-electric plant for the fixation of atmospheric nitrogen in Norway was so successful that it was enlarged to two hundred thousand horse-power, or one million man-power, and other large plants are preparing for work in other countries including Japan.<sup>4</sup>

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<sup>3</sup> The Technical World, Sept. 1910.

<sup>4</sup> Ibid, June 1909.

Some crops are inoculated with nitrogen bacteria which extracts nitrogen from the air and feed it to the roots of plants.<sup>5</sup> When introduced they attend to the work of enlarging their numbers. When their aged ones die their remains are almost pure nitrogen. *We are only beginning to become acquainted with the bounties of nature.* But we know too much already for any practical use under the present economic system.

It is now known that "one acre of water, if well cultivated, will yield more food than ten acres of fertile land; the world might be fed from the ocean alone."<sup>6</sup> The cultivation of oysters is now an established industry. Fish culture is no longer an experiment. Fish ponds can be indefinitely multiplied. The meat of the hippopotamus is said to be equal to beef. These animals, which need no care, could be multiplied in all marshes and sluggish streams where the climate is not too cold. With cold storage and swift transportation on land and seas this kind of meat alone would be enough to supply the world with as much meat as it ought to eat.

Game farming has been successful. Deer, elks, goats and buffaloes in the two hundred and fifty million acres of mountainous and desert land in our country, valueless for cultivation, could rear themselves. Pheasant farming is more profitable than poultry farming. With little assistance from the state, some wild birds whose flesh is greatly desired would multiply marvellously and would find food and shelter for themselves. It is estimated that four million buffaloes accumulated on our western plains while Indians were killing them for meat, clothing and sport. Many varieties of undomesticated animals, big and little, support themselves and would be enough to supply meat for the whole population of the country. It would only be necessary to protect sufficient breeding grounds. This could be done by cer-

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<sup>5</sup> Ibid, Dec. 1910.

<sup>6</sup> Recent Economic Changes, Wells, p. 399.

tain "wards" of our government to whom this kind of labor is congenial.

By rearing cattle on the "factory plan" they can be matured on one-fifth the amount of land. This would be, as far as cattle is concerned, equal to the addition of *four* Americas to our country. Why not employ the same amount of expenses in an effort to "expand" the comforts of our people as has been spent by the government in the past in "expanding our territory"!

The present economic system of grasping, and not the bounties of nature, is responsible for the scarcity of food supplies. We have mentioned the fact that 26,710,390 acres in our country is owned by fifty-four individuals and foreign syndicates.<sup>7</sup> In 1900 one-fourth of the *total* acreage of the United States was owned by .0006 of the population. The area so owned is greater than the combined area of Germany and Great Britain. One-fourth of the cultivated land, as heretofore mentioned, is owned by a handful of persons whose total number is less than a good sized suburb of an eastern city.<sup>8</sup> These vast estates are poorly cultivated and are mostly held for speculation. Nevertheless there is a continual struggle against "overproduction" in all lines of business conducted most scientifically; because the number of people who cannot get as much as they need, is not large enough to justify greater production. It is this fact that brings confusion to the advocates of the "single tax" theory. A great amount of production spells ruin in respective markets. Mr. George provides for greater production but fails to provide for distribution. Many industries can produce more than they can sell now. In order to be of merit, the ideas of Mr. George must not only produce more product but must show us how people can get a "price" for products when they become plentiful.

Coal deposits now known are enough to supply the world for a thousand years.<sup>9</sup> Half of the coal is wasted in mining. Eighty

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<sup>7</sup> Privilege and Democracy, Howe, p. 38.

<sup>8</sup> Ibid, p. 43.

<sup>9</sup> Modern Industrial Progress, Cochrane, p. 325.

per cent. of its energy is wasted in burning. Extra steam power, which has been permitted to blow off as exhaust, is, in some places, being piped into a steam turbine where it is used to generate electric power to be conveyed on wires fifty or more miles away.<sup>10</sup> Gases lost in the burning of coal can be captured and burned under boilers. The utilization of waste power alone would be sufficient to prevent the overwork of men, women and children and to manufacture for them luxuries equal to those enjoyed by their employers.

The United States government has been examining public lands to find their value.<sup>11</sup> Government experts have discovered that North Dakota contains about four times, Wyoming about three times, Colorado about three times, and Montana about two times as much coal as Pennsylvania. The United States Geological Survey places the amount of coal available for mining in North Dakota, at five thousand million tons. This is more than seventeen times the amount of coal that has been mined in the United States since its discovery in this country.

Recent machines for digging and drying peat for fuel can do their work quickly and with little human labor. The United States Geological Survey has made a test showing that "peat is superior to many good bituminous coals for operating the gas engine, that coming power-giant of modern industry. Peat contains slightly over one per cent. of nitrogen; the value of the ammonia as a by-product will pay the expense of extracting the gas, leaving the latter as clear profit."<sup>12</sup> Peat makes the best kind of coke for iron smelting, steel making and copper refining. It can be utilized as a fertilizer ingredient and as an absorbent. In Michigan, paper is manufactured from it, in Denmark and Sweden, alcohol, and in Germany artificial wood. Professor Davis, of the United States Geological Survey, estimates the "peat area" of the United States at more than seven million acres with an

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<sup>10</sup> The Technical World, Dec. 1910.

<sup>11</sup> Ibid, March 1910.

<sup>12</sup> Ibid, June 1910.

average depth of nine feet. This amount converted into machine peat bricks at its present market value, together with its by-products, would be sufficient to buy all farm property in the United States and all capital employed in manufacture.

The earth is large and we have only *recently* begun to drill for oil and natural gas, which can add indefinitely to our fuel supply.

Alcohol is being made from sawdust and is better and cheaper for light and heat than anthracite coal.<sup>13</sup> Half of every tree is wasted by lumbermen, which could be used for making alcohol. Twenty-two gallons of alcohol can be made from one ton of sawdust. The process of manufacture is simple and only occupies one hour. It is estimated that alcohol potatoes cultivated in Germany yield enough alcohol per acre to plow that acre for two centuries.

In the Cobalt mining district in Canada, five thousand horse-power is obtained from particles of air in falling water, which are trapped and confined and liberated under pressure. One man can take care of the generating end of the plant and the cost is too small to be considered. Compressed air is sold at Cobalt in the same manner that electricity and gas are sold elsewhere.<sup>14</sup>

The electrical age has arrived. It is estimated that two hundred and thirty million horse-power, which can work day and night through all future years, is *unused* and could be developed on unnavigable streams in the United States. This possible mechanical power could be converted into electrical power and conveyed to run motors in homes, on farms, and in factories, furnishing light, heat and power; but all this is a small matter compared with the power that can be obtained from water current, *without dams*, in streams, waves and tides, and from wind and sunlight.

Herr Emil Pein, an engineer of Hamburg, has mastered the problem of utilizing tidal action. The works are to be at Heanm

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<sup>13</sup> Ibid, Oct. 1910.

<sup>14</sup> The World's Work, Aug., 1910.

on the coast of Schleswig and it is estimated that the electricity to be generated will supply nearly the whole of Schleswig-Holstein north of the Kiel canal.

Wind-generating electricity power machines are in successful operation. They are wind mills with a device making the speed of the wheel constant whatever the speed of the wind. The control of the field circuit of the dynamo is maintained by the resistances worked automatically. Electricity can be stored for use when the wind does not blow.<sup>15</sup> A German company is manufacturing these wind mills which are gradually coming into use. The apparatus is entirely automatic and requires no attention except in storm, when it is necessary to reduce the sail area of the wind wheel which can be done quickly. Probably while man endures on the earth there will be no "wind famine."

The supply of sunlight is inexhaustible. Ericsson, who invented the Civil War monitors, demonstrated in 1868 that the rays of the sun give one horse-power per square yard per hour. This power can be set to work for us by a device recently invented. It is an arrangement of reflectors gathering the rays of the sun into a focus. The production of thermo-electricity depends upon the fact that in a circuit of two different metals a current of electricity may be made to flow by maintaining the two junction points at different temperatures. This is done by the heat of the sun's rays. Electricity is stored when the sun is shining, for use when it does not shine. The apparatus is automatic. It starts automatically when the sun begins to shine, and automatically severs connection between the separator and the storage battery whenever the sun is not shining.<sup>16</sup>

A recently invented water wheel is submerged in swift current, with its axis in a vertical position. It has jointed vanes which fold against the current on one side and open to the current on the other side. This causes the wheel to revolve, and the

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<sup>15</sup> Popular Electricity, July 1909; also Popular Mechanics, July, 1909.

<sup>16</sup> Popular Electricity, April 1910; Modern Electrics, Dec. 1909.

deeper it is submerged the greater will be the force of the revolutions. With such water wheels, the mechanical force that could be generated in the rapids *below* Niagara Falls, would be incalculably greater than that which could be obtained at the Falls. Such wheels could be submerged at small distances from each other, over the *whole length* of the rapids. They can be used, without the expense of building dams, wherever there is a swift current and wherever the tide ebbs and flows. Another recent device in the form of a V-shaped flume can be used on any navigable stream without interfering with navigation.<sup>17</sup>

The supply of iron ore is inexhaustible. The report of the International Geographical Congress on iron ore gives the total amount of the reserve of the world, as known, as twenty-two billion four hundred and eight million tons.<sup>18</sup> Nearly one-half of the known supply is in America. The larger part of the world is inhabited by people who make little use of iron. Most of the known iron ore deposits in China lie neglected. At Durango, Mexico, a big hill rising out of a level plateau, shows three hundred and fifty million tons which is of quality well adapted to the manufacture of steel.<sup>19</sup> On account of its abundance, where it can be easily discovered, the search for iron ore deposits have been very superficial, even in our own country, and we place no value on low grade ores which could be used if necessary.

The cement age is here and concrete can take the place of iron and steel for many purposes.

One-third of the world's supply of copper comes from Butte Hill, Montana; it is believed that three thousand million dollars' worth are yet to be obtained there. For only about a hundred years, has industry, in the most advanced nations, made a large demand for the baser metals. On account of their abundance the search for them has been superficial; yet there is evidence that the bounties of nature contain enough of the metals now used in

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<sup>17</sup> The Technical World, June 1909 and Jan. 1911.

<sup>18</sup> Popular Mechanics, Nov. 1910.

<sup>19</sup> Ibid, April 1911.

the essential industries to supply mankind for many thousand years. They are amply sufficient to enable us to conduct business under The Other Economics.

Mr. Herbert Smith, Commissioner of Corporations, in a recent report on the lumber industry of the United States, estimates that there is standing timber enough in our country to build frame houses for a *thousand* million people.<sup>20</sup> There are in the forests of the United States about two thousand eight hundred billion of board-feet of timber. If sawed into lumber it would be enough to load a freight train about a million miles long.

A lodging place on a cellar floor without mattress and covering in Chicago costs money on account of the scarcity of homes; but this is not because of the scarcity of building materials provided by the Creator of the earth.

Land denuded of timber can be reforested. But why reforest! Wooden houses are too perishable and cost too much labor for repairs. Materials for building houses of brick, concrete or stone are enough to give a palace to every family on the earth and the supply is inexhaustible.

The bounties of nature and applied science are ready and patiently waiting the mists of economic error to lift from the deluded minds of men.

## CHAPTER IV

### LABOR SAVING MACHINES

With our knowledge of present applied science, hard menial labor is the badge of economic stupidity.

One woman making embroidery manages a machine having one hundred and forty needles, and each needle produces replicas of the same design.<sup>1</sup> Her work is equal to that of about three thousand women making embroidery a hundred years ago. An automatic carpet sewing machine, a compact little stitching apparatus, running on something resembling a miniature elevated railroad, will fasten together ten yards of carpet in one minute, entirely dispensing with hand labor in this roughest and most trying of all fabrics.<sup>2</sup>

Fall River is a mere dot on the map; yet it contains machines which, with some human assistance, turn out about eight hundred and sixty million yards of cloth per year; and in the print works cloth enough is printed each year to wrap around the world three times.<sup>3</sup> One person can attend to more than a hundred spindles, each making twenty thousand revolutions per minute, thus attending to about *twenty thousand* times as many revolutions of the spindle during the day, as our grandmothers could do working with the spinning wheel. One weaver can manage twenty looms, each equal to twenty hand looms, and is doing the work of four hundred former weavers. "The looms feed themselves with bobbins, weave ornamental designs and stop

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<sup>1</sup> The Nineteenth Century Magazine, March 1910.

<sup>2</sup> The Progress of Invention, Byrn, p. 192.

<sup>3</sup> America at Work, Frazer.

instantly when a thread breaks so that there may be no flaw in the fabric."

In the best canning factories a machine, with some human assistance, can automatically fill twelve thousand cans in an hour; in a publishing house a machine can bind eighteen books per minute; in some newspaper offices a machine prints, cuts, pastes, folds, and counts ninety-six thousand eight-page newspaper in an hour. In Canada we may see a few men and a machine laying railway ties and steel rails at the rate of two miles a day. In Chicago, animal's throats are cut at the rate of one in three seconds, and about fifteen minutes later the slaughtered animal is fresh meat in the cooling room.

In the Lake Superior region a few men and a machine take iron ore from a pit and load fifty railway cars in an hour. The ore is handled by machines and is not touched by human hands until it is delivered to the iron and steel mills in Pittsburgh, or elsewhere. In one of the best steel plants a man in a cage, without real labor, handles six hundred tons of iron in an hour and feeds six blast furnaces.<sup>4</sup> Another man in a kind of a pulpit, without doing any hard work, can open any one of several furnace doors and take out a glowing ingot, weighing five thousand pounds, and place it on an automatic machine which carries it to the continuous rolls, which automatically pass it through smaller and smaller openings until it is reduced to the desired sizes. When the bars are coming out of the rolls, the flying shears, another automatic machine, cuts them off in the desired lengths; the cutting is done in a fraction of a second, and the shears retreat and come back for another cut in less than one second.

A traveling crane lets down a pair of magnets and loads a railway car with steel rails in three minutes. One man can charge an open-hearth furnace with iron ore, or scrap iron, in a few seconds. One man can manage machinery that can lift and

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<sup>4</sup> Modern Industrial Progress, Cochrane.

carry a load equal to several railway engines. A forty-six ton car of coal can be loaded by machinery in thirty-six seconds.<sup>5</sup>

On some great farms two men and a machine can plow one hundred and twenty-five acres in a day. A few men and a machine can plow, harrow, seed and cover seventy-five acres in a day, and in harvest can cut, thresh and put in bags the grain of seventy-five acres in a day.<sup>6</sup> A grain elevator lets down spouts upon a train load of grain and draws up into place of storage ten thousand bushels in an hour.

When the average wage earner assists a machine which grinds and mixes white lead for paint his labor is made equal to that of thirty-one former men: with a machine for making lithographs he is fifty men; with four-penny nails he is one hundred and thirty men; sawing marble into slabs he is nine hundred and twenty-three men; making settings for gold pins he is two hundred and fifty men; making center wheels for watches he is three hundred and twenty-six men; punching balance cocks from sheets of brass he is two thousand and twenty men; making iron bolts he can now make as many in a day as a blacksmith could formerly do in a year—but he is only *one former man* when he receives pay for his work.<sup>7</sup>

A small portable machine for scrubbing floors derives the power which propels the brushes from the nearest lamp socket. Surrounding the brushes is a ring which carries the water along with the machine and eliminates the necessity of mopping up.<sup>8</sup> There are air motors for cleaning windows which do the work quickly and more perfectly than can be done by hand. The new concrete potato peeling machine can peel and wash a half bushel of potatoes in two minutes.

In the chapter on Servantless Palaces we will show that by

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<sup>5</sup> America at Work, Frazer.

<sup>6</sup> Ibid.

<sup>7</sup> Thirteenth Annual Report of the Commissioner of Labor on Hand and Machine Labor.

<sup>8</sup> Popular Electricity, Aug. 1910.

the use of the best labor saving machines and method there would be nothing resembling labor for the housewife to do.

Under The Other Economics all city scavengers could live like cultured gentlemen. Some cities are now using a motor propelled combination street sweeper and sprinkler which sweeps and scrubs the street in one operation.<sup>9</sup> The machine is controlled by one man and has the power of twenty-five horses. In Hamburg, Germany, no hand tools are used in unloading and disposing of the refuse. The pity is that under our present unscientific system of economics human beings beg to do this kind of work in order to subsist.

The superintendent of the Boston Ice Company has perfected an ice harvester which cuts through fifty feet of ice in one minute.<sup>10</sup>

In picking cranberries a mechanical device makes the labor of one man equal to that of eleven former men. The bushes are tangled, but the tool does its work successfully.<sup>11</sup> In some orange packing houses machines carefully handle the oranges, clean them with brushes, grade them, separate them into sizes, weigh them, cut and print the tissue paper wrappers, wrap them in paper and place them in boxes. In the San Joaquin Valley district, which produces more than half the raisins used in the United States, machines automatically remove the stems from the dried grapes, take out the seeds, clean the raisins and press them into boxes.<sup>12</sup> The boxes are made by nearly automatic machinery. The newest machinery for harvesting potatoes digs and sorts them and incidentally pulverizes the soil.

"There are hulling machines that will handle a thousand bushels of peas in a day; there are rotary separators that will grade into sizes six hundred bushels in a day; there are corn cutting machines that will remove the green corn from the cobs,

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<sup>9</sup> Popular Mechanics, Aug. 1910.

<sup>10</sup> Ibid, Dec. 1910.

<sup>11</sup> Ibid, Nov. 1910.

<sup>12</sup> The Outlook, Nov. 1909.

at the rate of four thousand ears per hour; corn silking machines that will remove silk and other refuse from corn, and an automatic can-filling machine, having a capacity of twelve thousand cans per hour. There are equally effective machines for handling other vegetables."<sup>13</sup>

Hod carriers are doing a work that would not be tolerated under The Other Economics, for the electric hod carrier can shoot its load of brick and mortar to upper floors. We often send petty criminals to "the stone pile" to break stones into small pieces with a hammer. In every section of the civilized world good men are also doing this slavish work, while helping to pave streets and to macadamize country roads. In some christian countries women earn the privilege of existence, by this work. Absolute waste! There is a steam power crusher that makes the labor of one man equal to that of six hundred men.<sup>14</sup> Common sense ought long ago to have displaced with machinery five hundred and ninety-nine out of every six hundred such slaves and re-employed them in making luxuries for themselves.

The labor wasted in using the pick and shovel on the earth's surface and under it, is enough to produce homes and provide short hours of labor for all, if it were saved and re-employed with the best labor-saving devices: for there are digging machines, small and great, adapted to almost every variety of work. An excavating machine recently constructed at the Bergen Point Iron Works, New Jersey, has the power of a hundred horses and runs by its own power and not on tracks. It can be managed by three men and has the power of six of the largest steam shovels combined. Its cutting wheel has a width of ten feet and its conveyor, with a speed of two hundred feet per minute, delivers the earth to drays or cars. There are trackless trucks, having an unlimited range of travel, and moving with their own

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<sup>13</sup> Modern Industrial Progress, Cochrane, 328.

<sup>14</sup> The Social Unrest, Brooks, p. 177.

power, which can carry ten or more tons of earth and dump it into the places where it is wanted.<sup>15</sup>

A recently invented track-grading machine grades and ballasts railway tracks and does the work of lifting jacks and gangs of tampers and shovelers.<sup>16</sup> A pneumatic plow, scraper and spreader for railroad work does the work of twelve hundred men. This machine is used for work on the Panama Canal.<sup>17</sup> One man operates the machine thus doing the work of twelve hundred former men.

There are machines for digging post holes which enable one man, almost without labor, to dig as many, as twelve or fifteen former men.<sup>18</sup> A traction engine and steam shovel can go by its own power almost anywhere and dig ditches, gravel pits or cellars. Trench digging and trench-filling machines are in use in some western towns. Two men can manage a machine that pulls stumps like teeth, clearing three acres in a day and piling the stumps in heaps for burning.<sup>19</sup>

There are self-dumping barges which unload two hundred tons of earth or rock in a few minutes.<sup>20</sup> Ten tons is only one shovelful for the shovel used in deepening the channel of the lower Detroit river. Governor Hughes, of New York, in his annual message in 1906 mentioned a machine in use on the Erie Barge Canal which enabled three men to do the work previously done by eight hundred men. Three men and the machine could take out more than three thousand cubic yards of earth in eight hours.

Most road building in the United States has been done with slow tools and without expert supervision, and the work was slavish. According to the estimate by the Director of the United

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<sup>15</sup> Popular Electricity, July 1909. Modern Industrial Progress, Cochrane, p. 140.

<sup>16</sup> The Technical World, Feb. 1911.

<sup>17</sup> Ibid, Dec. 1910.

<sup>18</sup> Ibid, Aug. 1910.

<sup>19</sup> Ibid, Feb. 1911.

<sup>20</sup> The Technical World, Feb. 1911.

States Office on Public Roads, the direct annual waste caused by bad roads is two hundred and ninety million dollars.<sup>21</sup> Add to this the annual loss through failure to universally use the best labor saving devices in road building and in keeping them in good condition and the total would have been enough to have paved and kept in repair all public highways between the oceans; and this could have been done *without hard labor*. So it will be under The Other Economics, but never under the present; for business now depends upon the relative scarcity of machines and all other things desired by the common people.

A recent engine used in road building, may become a traction engine by simply changing the wheels. It can haul fifteen tons of stone in one load, separating and distributing it over the road-bed with scarcely any hand labor. It can haul the roller, and when used as a stationary engine can drive the stone crusher.<sup>22</sup> Most readers have seen the modern street-paving machines working. In drilling rock for blasting, a machine makes one man equal to forty men.<sup>23</sup>

Under The Other Economics even the army of news-boys would not be permitted to waste their time selling papers. They would be considered too valuable. There are machines about the size of the receptacles seen on the streets for collecting mail packages, which can take the place of these boys.

The mailometer is an automatically driven office appliance which seals, stamps and counts letters at the rate of ninety thousand in ten hours, and at the same time keeps an accurate account of your expenses for postage stamps.<sup>24</sup> The automatic electrically driven conveyor now used in loading and unloading the steamships "Mauretania" and the "Lusitania" can handle three thousand pieces of freight per hour.<sup>25</sup> Millions of roustabouts

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<sup>21</sup> Ibid, March 1911.

<sup>22</sup> Thirteenth Annual Report of the U. S. Commissioner of Labor on Hand and Machine Labor.

<sup>23</sup> The Technical World, April 1910.

<sup>24</sup> Popular Electricity, March 1911.

<sup>25</sup> Popular Mechanics, April 1911.

on rivers, seas and oceans, and other millions of freight handlers in railway stations, stores, factories and on small competing farms, now being displaced by big machinery with no opportunity for re-employment could, under The Other Economics, be re-employed to great advantage.

Mail is electrically handled between the sub-postoffice and trains in the new Pennsylvania Railroad Station in New York. The electrically operated plant can receive and deliver three hundred tons of mail daily and consists of overhead and underground belt-conveyors, chutes, slides and elevators of the plunger platform, and bucket types.<sup>26</sup>

Government reports on Hand and Machine Labor contain astonishing revelations about machines. But the saving of labor in the total of all operations in the *best factories* is, as yet, small in the proportion to the work of some of the machines employed. In many of the operations cheap men, women and children, working by hand or with hand tools can keep pace with the speed desired for the factory as a whole. For example, we find children in glass factories working through long hours in the intense heat carrying newly blown bottles from the hot ovens to the places of cooling. Electrically operated conveyors could do that work. No factory now existing presents us an object-lesson showing *how much* human labor could be *saved*, by using in all operations the best labor-saving methods now known in the world. Therefore, we cannot go to the Government Reports on Hand and Machine Labor as now used in factories and on farms to find what machines could ultimately do under The Other Economics. These reports can do nothing more than to furnish some of the data needed in making our estimates.

In the three power plants of Pittsburgh Electric Street Railway Company we find, perhaps, one of the best examples of the manner in which hard labor would be performed under a saner

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<sup>26</sup> Ibid.

system than the present. "The coal for the forty boilers in each plant is not handled by manual labor after coming from the mines. The coal arrives in freight cars and is dumped directly into the bins of the Company. A small electric dump-car, controlled by the engineer from the power house, comes down on a track under one of the huge hoppers and the coal is allowed to automatically fill the car. The engineer by a simple movement turns the current on the car which starts for the boiler house at the same time tripping the lever which shuts off the flow of coal. The car, when it comes over the boiler-supply hopper, is automatically dumped upon reaching its destination, and then goes back for another load. The coal is next forced into the furnaces by automatic stokers, and the ashes, shaken down by automatic grate rockers, fall into another car similar to the first, and are carried off out to the dump. In the power house of the Company only one man is required, part of the time, to look to the boilers and to see that all the supply hoppers are full."<sup>27</sup>

There is scarcely any kind of work, machines cannot do, when desired by the national government. At the Gatun dam and locks in the Panama Canal Zone is the Gatun Construction Plant.<sup>28</sup> The plant contains "an electrical generating plant, rock and sand unloaders, cement cranes and cement storage, automatic electrical railroad, concrete mixers, electrical industrial railway, concrete deposing plant, lock wall forms, and the Gatun dredging plant." It is operated by an electrical plant having six thousand horse-power.

When the rock and sand, which go into the making of concrete, are brought in barges, not a human hand is laid to the materials until they are placed as concrete where they are wanted in the constructions of the locks and dam. There are traveling towers, great grab-buckets, with a capacity of two cubic yards each, which drop down into barges, seize a mouthful of many tons of rock or sand and glide away across the cable to deposit

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<sup>27</sup> Popular Electricity, Aug. 1910.

<sup>28</sup> Ibid, April, 1911.

it where it is wanted. The whole equipment of the rock and sand unloaders is under the management of *one* operator. One strand of a duplex cableway is capable of unloading and transporting sixty cubic yards of rock per hour, the traveling speed being about twenty-six feet per second. There are even automatic conveyors for carrying empty barrels to the fireheap. An automatic electric railroad transports concrete ingredients to the mixer building. The cars are emptied automatically. The whole plant, and the plants of which it is composed are one *great automatic machine*.

The possible cent or two per day per capita of the population, which may be gathered into the hands of a *few capitalists*, by means of the Panama Canal, may justify the great national expenditure in that direction; but it is nothing in comparison with the abundance of food, clothing and innocent luxuries that could be produced for all who labor; if the powers of machinery were utilized for production of "goods for use" instead of "goods for a price".

Only under The Other Economics, can people be treated as Capital. Only under The Other Economics, will people be regarded of greater value than "things".

## CHAPTER V

### ELECTRIFIED FARM AND HOME

One, who is honored by multitudes as the God who rules the forces of nature, invited man to escape useless drudgery by the use of intellect; when He said: "Come unto Me all ye that labor and are heavy laden and I will give you rest." Man has found many ways of harnessing the laws of nature but, as yet, he has not found the way by which they may be of benefit to the masses—they, as yet, only help the dividends of the owners who must keep their *product* scarce.

Intellect is so sacred in the sight of God Almighty that He seems to have decreed that the man or nation who will not use it may perish, piety or numbers notwithstanding. It seems to be the sin against the Holy Ghost, of which it is said: "It shall not be forgiven". If the common people will not use their reasoning faculties, sufficient to see that men cannot get much by each struggling to give little even though they were dropped in the midst of Paradise; and that by the aid of big machinery, men, in almost any part of the earth today, could get much by struggling to give much—if they continue thus to blaspheme their god-like attribute of intelligence, they will destroy themselves. This world is admirably arranged for developing reasoning faculties and testing our divine abilities to do good to *others than ourselves*. If we do not develop these faculties somewhere along the highway of existence, we do not rise above the level of the lower animals and are unfit companions of the God whose chiefest attribute is "intelligent benevolence". A divinely-endowed being who, by refusing to use his divine powers, chooses to remain a mere beast of burden and a drudge must be the greatest

dishonor in the Universe. God made enough of these kind of animals, we would think, when he fashioned the jackass.

In a commonwealth under The Other Economics, aiming to give wealth and sufficient leisure to all who assist, agriculture would be specialized in sections of our country best adapted to the given kinds of products and where the *least* human labor would be required in producing and distributing them. Little competing farmers would not be permitted to struggle to produce, with slow tools, every kind of crops on *unvaried* soil. Mr. W. H. Milner in Clinton County, New York, owns a farm, according to the Saturday Evening Post of June 4th, 1910, on which electric motors operate the vacuum pump for the milking machines, milking ten cows at the same time, run the separator and churn, operate the ice-making plant and refrigerator, and do the threshing and grinding of grain and the feed cutting. In the laundry there are motor-driven washing machines, wringers, centrifugal dryers, mangles, and electric flatirons. In the cottage are an electric piano, and electric heating and cooking devices including meat choppers, buffer and grinders, a motor-driven ice-cream freezer, and electric fans. Motors do the pumping for hydrant water, make sausage and prepare food for chickens, and do a hundred things performed elsewhere at the cost of slow and hard manual toil. "There are motors on the place ranging all the way from the tiny little fellow that grinds the food for the growing trout to the twenty-five horse-power motor which prepares feed for horses and cattle. In the main dairy barn a ten horse-power motor unloads and handles hay, a ton in less than five minutes. By night the buildings and yards are ablaze with electric light, and by day the buildings hum with busy motors doing the work of scores of hired men." On another "electrified farm" near the town of Minot, Maine, in addition to the above appliances an electrical clock feeds the horses their breakfast; an annunciator, in the farm house, gives notice when the incubator needs attention, and when the rural

mail carrier visits the letter box. A portable telephone equipment enables the men in the fields to call up the farm house.

Electricity, gasoline motors, steam power machinery are now beginning to displace the farmer with his hoe and to supply the markets. The farmer, under the present system, will soon be reduced to abject poverty unless he is able to equip himself with the modern implements. The man who thinks all farmers can do this, is just a plain fool.

A palace, equal to the best now occupied by our few multi-millionaires, could be servantless and the wife and daughters of the home would not need to exert themselves physically any more than health and fashion now require. It is not necessary that a cruel fate consign many women to menial servitude in order that a *few* women may enjoy the advantages of wealth and leisure. No servantless palace now exists; but if all of the best labor-saving methods, now known, were used under any single roof, domestic servants would not be needed and work would go along. In an electric home owned by Mr. George Knapp, in Paris, are many devices suggestive of this truth.<sup>1</sup> "By pushing a button the owner can be served with anything he wants from a book to a meal in any room in the house. He can hear anything going on in any part of the house and see his visitors before they gain entrance. "You approach the gate. You see a small illuminated push-button. When you push the button a speaking telephone asks your name. The voice welcomes you and the gate is closed and locked behind you. You pass through an illuminated garden containing flowers larger than ordinary because of electrical culture. When you approach the door of the mansion you step on a carpet and a brush cleans your shoes. The door opens and the host greets you." In this home are an electric piano, self-winding clock, an electric apparatus for purifying the air by ozone, an electric thermometer which regulates the heat of the room automatically, and in the kitchen are time-

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<sup>1</sup> Popular Mechanics, July 1910; also Popular Electricity, May 1910.

switches which shut off the current from the various cooking utensils at the expiration of a given number of seconds. The heat is regulated to any degree of heat required.

"When the host and his guests are seated at the table, the former touches a button and the electrically operated tray arrives through a trap door in the top of the table. When closed this trap looks like two ordinary silver covers. By pressing another button the tray with its dish is carried around the central portion of the table, the slender support traveling through a channel. As the dish arrives in front of each guest the host touches a third button which stops it while the guest is helping himself. The dish passes all around the table in this way, and then on pressing the first button it disappears through the table and returns to the kitchen."

Many read of such marvelous inventions and think, that, because they are invented, they will soon be within the possession of all. Perhaps such readers have been struggling for a lifetime to get a common-place, little, four-room cottage that they could call "home"; and failed even to get that! Our present system tends to develop dreamers; for the most of us can never have the good things of life, under it, except in an occasional delusion or dream. They could not be "scarce" and everybody "have them" at the same time. Yet, they must be scarce in order to command that holy-of-all-holies in the commercial world—prices.

Electric kitchens could be located, if so desired, at convenient centers from which meals could be sent, like U. S. mail in New York City, through pneumatic tubes, in hot-boxes, to private homes. The above-described home could be duplicated for an entire city which could be fed from one central kitchen. The inventions are all here and need but to be assembled and multiplied. The reader has possibly seen many of them: electric toasters, coffee percolators, egg beaters, cake stirrers, grinders, graters, parers of every kind, cherry stoners, raisin seeders, vegetable slicers, meat choppers, fruit presses, and self-dumping oyster cookers; stoves and ovens which automatically regulate

the degree of heat and open their doors at a certain time; automatic conveyors, can openers, buffers for cleaning silver, polishing wheels, automatic bottle washers, electric dough mixers, candy makers, roasters, cereal cookers, and chafing dishes. It is difficult to imagine any labor-saving device for the kitchen or laundry which does not *already exist* somewhere in the civilized world. We are now "looking backward", a-la-Belamy, but we see the products of these wonderful inventions carefully guarded from the vast majority by a grasping economic system. The majority have developed a most ravenous appetite for these good things of life; but must content themselves with "smacking their lips."

All the above devices could be enlarged, under The Other Economics, for larger work. The automatic egg boiler used on the steamships Lusitania and the Mauritania is able to cook two hundred eggs at once. A clock arrangement causes the wire basket containing the eggs to rise out of the water at any half-minute up to six minutes. Wholesale dealers are already using a device which tests the quality of eggs, without handling them singly.

Dishwashing in this central kitchen would be done, under a sane system, by recently invented machines which enable two persons to wash 18,000 dishes per hour without touching the dishes. Popular Mechanics for 1911 contains a description of such a machine now in use in one of the large hotels in Chicago.

The dough mixer and kneeding machine, now in use in some great bakeries, handles six barrels of flour at a time. Automatic devices make the bread, place it into ovens, regulate the heat and take out the loaves at the expiration of a given time. Under The Other Economics, bread would not be largely composed of air and dangerous chemical ingredients as some bakers' loaves are now; for the business would not be managed for the purpose of obtaining profits and wages.

Let the central kitchen be named Culinary College, and let it be a department of the public school or university; for malnu-

trition has done as much harm to mankind as ignorance of astronomy. Cooking, as a science and art, has never been well developed, because poor men's wives are slaves of all work, and cannot give it more than a little attention; and it has been rendered odious by the attitude of many women of wealth and leisure. Kitchen maids being under social ostracism on account of their work, naturally despise an occupation which causes them to be despised. Food flavors are capable of as many varieties or of combinations as the notes of the musical scale. The possible development of skill in this direction is limitless; and culinary science is closely related to organic chemistry, physiology, and hygiene. When the Culinary College, which under a right system could furnish the food for a neighborhood, gets properly started, only a fraction of one woman's time for actual home-work would be required.

## CHAPTER VI

### PRODUCTION OF FOOD

A machine, operated by twelve men one month, is equal to the labor of one man twelve months; although one man could not operate the machine. (The twelve men are supposed to be otherwise employed during the remaining *eleven* months.) And, likewise, the labor of three hundred men working one ten-hour day, as far as the expenditure of labor is to be counted, is equal to the labor of one man working three hundred ten-hour days. On farms more men are employed in seedtime and harvest; but, under the plan discussed in this book, these extra laborers must be thought of as otherwise employed during the rest of the year. Therefore, in the following estimates, the labor of a greater number of men working at a given task during a part of the year is regarded as equivalent to the labor of a smaller number of men working the entire year. We will now estimate approximately the labor-time required to produce the principal food supplies for the United States if the best existing labor-saving methods were used in *all* agricultural operations.

Let it be borne in mind that traction machines which are now in use enable two men to plow one hundred and twenty-five acres in a day, and others managed by three men can plow, harrow, seed and cover seventy-five acres in a day; while in some great grain fields in Canada one traction engine draws a combined harvester and thresher, managed by six men, cuts, threshes and puts into bags the grain of from one hundred to one hundred and twenty-five acres in a day.<sup>1</sup> Putting the grain into bags

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<sup>1</sup> The Technical World, Dec. 1910.  
Modern Industrial Progress, Cochrane, p. 212.

for innumerable little traders would not be permitted under The Other Economics; for the simple reason that there would be no trading and therefore no army of men wasting their time in that unneeded vocation and in preparing to accommodate them. Traction drays accompanying the harvester could receive the grain in bulk and carry it to an elevator close at hand where the grain could be unloaded by suction pipes at the rate of ten thousand bushels per hour, or at a greater rate if desired.

The average yield of wheat per acre in Great Britain is thirty-two bushels. Three men plowing, harrowing, seeding and covering seventy-five acres, do this part of the work, producing twenty-four hundred bushels in a day of ten hours. For this work, the equivalent of forty-five seconds of one man's time should be charged against one bushel of wheat. Six men cutting and threshing the wheat of one hundred acres in a ten-hour day turn out thirty-two hundred bushels. In this part of the work about one minute and eight seconds of one man's time should be charged against one bushel. In sections of the country devoted to the production of grain, side tracks from railroads would extend into the fields and connect with the elevators conveniently at hand. Allowing an average of one hour of one man's time for conveying two hundred bushels to the elevator, eighteen seconds of one man's time should be charged against each bushel for this kind of work. (Transportation and distribution of products are treated in a following chapter.) Up to this point the total labor time charged against a bushel of wheat is two minutes and eleven seconds.

Five bushels of wheat, or enough for a barrel of flour, is the average amount consumed by one person in one year. At this rate, labor equivalent to the labor of about *fifty-six hundred men working three hundred days should produce a sufficient supply of wheat for a population of ninety-two millions.*

A family of five members consuming annually five barrels of wheat flour, would not need more than one-third of this amount of other smaller grains. We will consider in another

paragraph the amount of grain consumed indirectly in the form of meat. The best labor-saving machines used in the production of wheat can be used for producing other small cereals in large fields in sections of the country adapted to them. The extra labor of flooding rice fields, during a period between seed time and harvest, is inconsiderable after permanent reservoirs for water are constructed. Under The Other Economics oats for horses would be little needed, for, horses, like oxen, are not the best devices for saving time and labor.

Oatmeal for the table is one of the necessities. Oats, with best methods, yields sixty-two bushels per acre;<sup>2</sup> rice, eighteen hundred pounds per acre; buckwheat, thirty-four bushels; while barley and rye yield about the same as wheat. We may assume that the yield of the average of these other small grains would be about the same as that of wheat, and that with the best labor-saving methods about the same amount of labor would be required. Only one-third of such crops being used for table supplies, labor equal to the annual labor of about *seventeen hundred men* should produce these other small grains for the whole population of the United States.

Indian corn must be separately considered as it requires cultivation between seed time and harvest and is more laboriously harvested. The work of plowing and pulverizing the soil is the same as for wheat. There are machines for planting corn many rows at a time. "In planting corn one man 'puts in' twelve to fifteen acres better than the man with the hoe can plant in one."<sup>3</sup> Under The Other Economics this machine would be used to save labor wherever corn is being planted, in order that it might be re-employed for the best good. A dozen rows of corn could be cultivated at the same time and the machine be simple, in comparison with the adding machine. Existing corn cultivators could be enlarged. There are corn picking, husking and shelling machines now on the market which deliver the shelled corn in

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<sup>2</sup> The Technical World, June 1909 and Dec. 1910.

<sup>3</sup> The World's Work, Aug. 1910.

bulk into traction drays. The corn-shelling machine makes the labor of one man equal to that of ninety former men.<sup>4</sup>

Corn, under best methods in Illinois, yields one hundred bushels per acre.<sup>5</sup> Plowing and harrowing at the rate estimated for wheat would require that labor equal to about eighteen seconds of one man's time should be charged against one bushel of corn. Planting, at the rate of twelve acres a day by one man, would charge thirty seconds of one man's time against each bushel. Corn cultivators covering a width equal to that of the traction plow and harrow, used in our estimate for wheat, and going over the field five times in a season would charge against each bushel of corn five times as much as for plowing and harrowing, or about forty seconds of one man's time. The machine for plucking the ears of corn from the stalks simply rakes them off. This could be enlarged to cover a width equal to that of a traction plow and harrow and could move as rapidly over a field. Allowing three times the number of men for managing this machine as for the traction plow and harrow, about twenty-four seconds of one man's time should be charged against one bushel of corn, for this part of the work. Conveying the corn to cars, or places of storage, would be the same as for wheat; this makes another eighteen seconds to be added.

In the total of all operations three minutes of one man's time should be charged against one bushel of corn when it is ready for grinding. Fifty bushels of Indian corn should be as much as the average family would consume indirectly in the form of meat, and in corn preparations for the table when having a full supply of other cereals. Therefore, at the rate of three minutes of one man's time, per bushel, labor, equal to the annual labor of about *fifteen thousand men*, could produce corn for ninety-two million people.

In Prussia the average yield of potatoes per acre is four

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<sup>4</sup> The 13th Annual Report U. S. Com. Labor on Hand and Machine Labor.

<sup>5</sup> John L. Mathews in Hampton's Magazine, July, 1909.

hundred bushels.<sup>6</sup> With machines enabling two men to plow and harrow one hundred acres in a day, less than two seconds of one man's time would be required for this work in the production of a bushel of potatoes. One man with a potato-planting machine for sweet potatoes is made equal to ten former men.<sup>7</sup> In the total of all operations in the production of sweet potatoes he is made equal to seven former men. In the production of potatoes of either kind traction machines in large fields could enable one man to plant, cultivate or spray a half dozen rows at a time—the machine passing over a space equal to an acre in about five minutes. Passing over it five times during a season, would consume twenty-five minutes or about five seconds for each bushel.

"The latest machinery for harvesting potatoes not only digs them, but sorts them out, incidentally to the process."<sup>8</sup> This digger enlarged could dig, sort and deliver to traction drays the potatoes of a half dozen rows at a time. It could be operated by two men, and should pass over a space equal to an acre in about five minutes. This would add less than two seconds of one man's time to one bushel on account of harvesting.

In the total of these operations, labor equal to nine seconds of one man's time would be required in the production of a bushel of potatoes. Labor, equal to the annual labor of *four hundred and twenty-six men*, would be sufficient to produce twenty-five bushels of potatoes for every family; or five bushels for each person, in a population of ninety-two million.

This is a startling conclusion; because we have not been accustomed to think of producing goods for use—but for price. Neither have we been accustomed to think of the universal use of the best existing labor-saving inventions for the purpose of throwing potato growers out of their present employment to the greatest extent possible. Under The Other Economics, that

<sup>6</sup> Ibid.

<sup>7</sup> The 13th Annual Report Com. Labor.

<sup>8</sup> The Technical World, Aug. 1910.

would be necessary; because the displaced labor could be re-employed to the social and economic advantage of themselves and all others: for this reason labor would be displaced, to the greatest possible extent, in all industries.

Figures like the above, cause no surprise and are credible when given in a description of what labor-saving machines are doing or have done in the construction of the Panama Canal; or in the building or management of a battle ship; or in any work needed in the interest of a few men who are getting profits by handling or trading consumption goods after they are produced.

The above amount of potatoes is equal to the total amount of beets, turnips, parsnips, carrots, onions, and beans desired by the average family. In the plan under The Other Economics these vegetables would be produced in great fields where *power machinery* could be used, and in sections of the country best adapted to them.

The use of the machines for planting either carrots or beets, reduces the labor to one forty-eighth of the former time, making one man equal to forty-eight men working with hand tools. The use of the machine for planting onions reduces the labor to one-eighth of the former time.<sup>9</sup> There is a machine that makes holes for beans, drops in the proper number and covers them. It can plant alternate rows of corn and beans.<sup>10</sup> The amount of human labor, if the machines were driven by their own power and enlarged to cover wider space, should be about the same, on the average, as that which we have estimated for planting potatoes. All kinds of small seed can be planted by machinery.

And there are transplanting machines. "There is a plant-seeder machine that will pick up tender sprouts of celery, cauliflower, tomatoes and so forth, carefully settle them in the earth, cover their roots, and give them a good drink of water to start them on their new life. This little machine can plant five acres

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<sup>9</sup> Twelfth Annual Labor Report U. S. Bulletin 54.

<sup>10</sup> America at Work, Frazer.

in a single day.”<sup>11</sup> This small machine, or any other, can be enlarged for doing work on a larger scale in great fields. The great expenditure of hand labor in thinning rows, after planting, could be avoided. Machines are adjusted to work which is invisible without the aid of the microscope and they certainly could be adjusted so as to drop in the right number of turnip seed or beans.

The machines which dig and sort potatoes could harvest these vegetables. Only a little readjustment, which any good mechanic could suggest, would be needed. On some large farms, beans are now harvested and separated from the pods by machinery. The average expenditure of labor, under the best methods, in producing twenty-five bushels of the above list of vegetables, to be added to the twenty-five bushels of potatoes allowed for each family, would require less than five times as much labor as that expended in producing the potatoes. Therefore, under the plan of *The Other Economics*, labor, equal to the annual labor of *two thousand one hundred and thirty men*, could produce beets, turnips, parsnips, carrots, onions and beans for the present population of the United States.

A cow of the best breed gives eighty pounds of milk per day, or twenty-nine pounds of butter in seven days.<sup>12</sup> Fresh milk for invalids and infants should be produced, in all sections of the country, as one of the common necessities; for in this estimate we are not providing for luxuries. One pound of fresh milk per family per day should be the average amount required for infants and invalids and would require the milk of about two hundred and thirty thousand cows. Canned, condensed milk would be shipped from regions where cows can be reared and fed with least labor.

A mechanical cow milker enables one person to milk ten

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<sup>11</sup> *Modern Industrial Progress*, Cochrane, p. 220.

<sup>12</sup> *Technical World and Popular Electricity*, 1909.

<sup>13</sup> *Technical World*, July 1910.

cows at the same time, doing the work in six minutes.<sup>14</sup> Labor, equal to the labor of about forty-six hundred persons, could do this part of the work in supplying one pound of fresh milk daily for every American family. The milk bottling machine "picks up a carrier of empty bottles, straightens it up, if it happens to be out of line, moves it under and lifts it up under a battery of spouts from which the milk issues, lowers and carries it to an apparatus which automatically caps each bottle and discharges the carrier upon a car." It is operated by two men and has a capacity of seven thousand six hundred and eighty bottles per hour.<sup>15</sup> Labor, equal to the annual labor of about *nine hundred and sixty men*, could do this part of the work in furnishing a daily bottle of milk to every family in the United States.

An automatic machine washes bottles, rinses, dries them, and injects a sterilizing vapor into each bottle, at the rate of one thousand bottles an hour. Two men operate the machine.<sup>16</sup> Labor, equal to the annual labor of eighteen hundred and forty persons, could wash the milk bottles for the whole population of the United States. In milking the best breed cows, sufficient to furnish two pounds of butter for every family per week in America, it would require labor equal to the annual labor of about six thousand men working ten hours a day.

According to the Thirteenth Annual Report of the United States Commissioner of Labor on "Hand and Machine Labor", creamery butter in tubs was made by a combination churn and butter worker, which churned, worked, washed and salted the butter in one-eightieth of the time required by hand. The cleaning of the establishment was done in one-seventeenth of the former time. In making butter one person was made equal to eighty former persons. In cleaning the establishment one person was made equal to seventeen. The total average saving of labor is in the ratio of about forty-eight to one. One former man,

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<sup>14</sup> Popular Electricity, June 1909 and Feb. 1910.

<sup>15</sup> Popular Mechanics, July 1909.

<sup>16</sup> Technical World, Sept. 1910.

with a hand churn, could make about ten pounds of butter in an hour. When labor is made forty-eight times more effective by the inventions above referred to, labor, equivalent to the annual labor of *thirteen hundred men*, could make one hundred and four pounds of butter annually for every five persons in the nation.

In these days of rapid transit and refrigerator cars, under The Other Economics, dairy farms, cattle ranches, and meat-packing establishments would be located in sections of the country with reference to saving of labor and providing leisure. In our great Southwest and in the southern sections of our country only a small amount of hay for cattle would need to be cut and cured or stored.

Yet, in the preparation of a field for producing hay, should such be found imperative, the traction machines such as would be used in preparing the ground for wheat could be used; when fields are seeded they do not need to be plowed for several years. A machine managed by two men can mow one hundred acres in a day. There are tedders for stirring the cut grass which can be enlarged to cover a width equal to that of the mower and can move as rapidly. There is a tractor, managed by two men, that can travel five miles an hour and which hauls a wagon with hay rack, to which a machine is attached which rakes and loads two tons of hay in twelve minutes.<sup>17</sup> At the expiration of twelve minutes the raker and loader is detached and attached to another tractor and wagon, while the former hastens away to the hay stack or barn with the load. The unloading and storing of the two tons can be finished in ten minutes.<sup>18</sup> With these machines used in production of hay, if once plowing and seeding the field is sufficient for three years, and if the yield is two tons per acre, labor equivalent to the labor of less than five thousand men working ten hours a day through the year would be sufficient to produce and care for as many tons of hay as there are families

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<sup>17</sup> Ibid, Dec. 1910.

<sup>18</sup> Ibid and Saturday Evening Post, June 4, 1910.

in the United States. This should be sufficient when horses are not counted among the necessities, and when all cattle, except cows needed to supply fresh milk for infants and invalids, are kept where they need no hay but can graze most of the winter.

Under The Other Economics the "cow-boy's" occupation would return, but he could be a gentleman of wealth and leisure while doing many times the amount of work previously done by a man of his calling. There would be no branding, no roundups, no hardships. To prepare the great cattle ranges for a nation, would be a work for the economic advantage of the whole people compared with which our big Canal is insignificant; although the ranch would cost almost nothing. Pipes or ditches could assist nature in the distribution of water supplies. The cattle would take care of themselves. Labor, equal to the annual labor of one man, should be enough to take care of ten thousand of them—including driving them to the place of fattening, which would be within the cattle ranges where the meat-packing houses should also be located. If two of the cattle were eaten by the average family, less than four thousand cow-boys would be sufficient for the entire United States. The rearing of meat cattle in the northern states, feeding and sheltering them through the long winter period, is a vast waste of labor. The labor thus wasted by fragments, if saved and re-employed to the best advantage, would not only supply sufficient meat to all families who now do not have enough nourishments, but would build for them commodious homes, which when built would last a thousand years.

The "factory plan" should be used in fattening cattle. The following description of it is given by D. A. Wells in his valuable book, "Recent Economic Changes." "Ten thousand cattle are fattened under one roof. One laborer takes care of two hundred of them with less labor and is occupied only a portion of his time, with less trouble than a farmer can take care of fifteen or twenty of them on his farm." The cattle are fed, the barn

is cleansed, and all their needs attended to by nearly automatic devices. A farmer fattening fifteen or twenty cattle on his farm does not devote more than two hours a day to the work and they can be fattened in two months. By the factory plan a part of one man's time is sufficient for the fattening of twelve hundred cattle in a year. At this rate, labor equal to the annual labor of *eight thousand men*, would be more than enough to fatten two steers annually for every family in the United States.

As heretofore cited, in the Chicago packing houses one man cuts throats at the rate of one in three seconds, and within about fifteen minutes after the animal is seized by the hind legs, it is dressed meat in the cooling rooms.<sup>19</sup> One hundred and fifty men have a part to perform in this process; each, on the average, doing his work in six seconds. At this rate, labor equal to the annual labor of about *sixty-four hundred men*, would be sufficient to butcher two steers for every five persons in the United States. This is a full ration of meat. Less beef is used in proportion as other meat is substituted.

An electrified poultry farm conducted according to the "village plan" would require very little human labor. The little houses on wheels, or runners, being of different shapes and colors, each brood would attend to themselves. A supply of feed-bins with valves, automatic conveyors, and hydrant water would enable one man to take care of thousands of them simply by throwing a switch. On Long Island there is a poultry establishment which has an incubator capable of hatching twenty thousand chickens at the same time. Such an establishment if electrically equipped and operated would not require human labor at all. The heat of the incubator would be adjusted automatically. The newly hatched chickens could go out into a series of brooders and run ways. In modern chicken yards the chickens, with their beak, turn devices that scatter whatever kind of food the chickens prefer. Under the Other Economics,

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<sup>19</sup> Progress and Invention, Byrn.  
America at Work, Frazer.

giving all families as many eggs as they could use, would be a national enterprise; compared with which the achievements of our present-day Congress and Parliament would seem infantile.

Men, competing for profits and trying to drive each other out of business, seek many new inventions, and the electric chicken picker is one of them. It is now used by some wholesale poultry dealers. The fowls are conveyed into a receptacle in which powerful blasts of air take off the feathers and down in a few seconds.<sup>20</sup> Why would it be a misfortune if all chickens were picked in this way? From these machines, the fowls being denuded of feathers and down, could be automatically delivered to other machines, which would automatically open, clean and deliver them into cold storage. The "Iron Chink" could be adjusted to do this work.<sup>21</sup> This machine has been introduced into the salmon canning factories on the Pacific coast because the salmon season is short and the expert Chinamen, who did nothing but wield the knife, were too slow for the work to be done.

Two generations ago a half hour a day of one person's time was quite adequate to provide poultry and eggs for one average family, in primitive fashion, and as much more were sold. With the best labor-saving devices now possible, labor, in the production of eggs and poultry, would be at least twenty-five times more productive. If so, labor, equal to the annual labor of about *four thousand persons*, could provide eggs and poultry for the whole population of our country.

In the production of sugar a vast amount of work could be saved in growing and harvesting sugar cane. Under The Other Economics, the multitudes toiling in the cane fields with wastefully slow tools, for a bare existence, could be displaced, to a great extent, and re-employed in other ways to an economic advantage to all; for a machine has recently been invented

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<sup>20</sup> Popular Electricity, 1909.

<sup>21</sup> The Technical World, 1909.

which harvests cane.<sup>22</sup> It cuts, tops and gathers the cane and dumps it into wagons. One machine will harvest and prepare for the presses ten acres of cane weighing two hundred tons, at a cost of about *seven dollars and fifty cents*, including wages. If the average wage of the men who manage the machine were a dollar a day, seven men would do this part of the work in the production of thirty-two thousand pounds of sugar in a day, for one ton of cane yields one hundred and sixty pounds of sugar.<sup>23</sup> At this rate, labor equal to the annual labor of about *twenty-six hundred men*, could do this part of the work in supplying two hundred pounds of sugar per year to every family in the United States.

Plowing, harrowing, planting and cultivating for sugar cane would be about the same as for corn. Machinery can be used for planting sugar cane and from ten to twenty-five crops may be obtained from one planting. Disc cultivators reaching down from an elevated axle could cultivate a half-dozen rows at a time in great fields prepared for machine cultivation. The work preceding harvest would be about the same as in our former estimate for corn. This work, on the number of acres required for the production of two hundred pounds of sugar for every family in our land, would require labor equal to that of about *one thousand men* working through the year.

In 1909, the sugar refining establishments in our country turned out more than twenty thousand dollars worth of product per wage earner. Adding one-thirteenth to the number of wage earners, for superintendents, and estimating the product at five cents per pound, wholesale, fourteen thousand and five hundred men should refine about two hundred and fifty pounds of sugar annually for every family of our land.

Reviewing the estimates contained in this chapter we find that labor, equal to less than *one hundred thousand men*, working through the year and using the best labor-saving methods in

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<sup>22</sup> Popular Mechanics, March 1911.

<sup>23</sup> The Story of Sugar, Geo. Thomas Surface.

existence at every possible point, could produce the principal food supplies for the present population of the United States.

Probably more than this number of work-people are in prison on account of offenses against private property, caused by their inability to buy, with their wages, that standard of living taught in home, school, church and forum: decent shelter, clothing, amusement and sufficient food for themselves and those loved ones who were dependent on their labor.

It appears to us, that, under The Other Economics, they might be out of prison; and that labor, equal to what they now waste in idleness, could produce and distribute all the principal food supplies of the nation.

## CHAPTER VII

### PRODUCTION OF CLOTHING

With the best selection of seeds and treatment of soil, the yield of cotton is two and one-half bales per acre. A bale of cotton weighs five hundred pounds. Three-fourths of a pound of cotton is used in making a yard of cloth of the average thickness. With machines which enable three men to plow, harrow and seed seventy-five acres in a day, labor, equal to that of three hundred men working three hundred days, could do this work on the number of acres sufficient to provide forty yards of cloth for every person in the United States, including children and infants. Machines which plant corn could be adjusted to planting cotton. With cultivators which enable one man to cultivate four rows at a time, the labor of cultivating would be about four times as much as would be required in putting in the crop.

A machine that picks cotton successfully has recently been invented.<sup>1</sup> It enables one man to pick, in a day, as much as thirty persons by hand. The axle of the machine is high enough to pass over the stalks without breaking them. The interlocking flexible fingers of steel pick the cotton from the open bolls and creep beneath the branches, picking those that are hidden. It does not disturb the bolls that are unripe. This cotton-picking appliance can be detached and stored; and the thirty horse-power tractor used for running the cotton gin, or, for other work. This mechanical cotton-picker, managed by one man, picking five acres in a day, would, of course, have to work during a time equal to fourteen hundred and seventy-two

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<sup>1</sup> The Technical World, Feb. 1911; also The World's Work, Nov. 1910.

years to pick enough cotton to give forty yards of cloth to the various inhabitants of our country; this, however, is only equivalent to fourteen hundred and seventy-two men working three hundred days. At present tens of thousands are employed in this vocation.\*

Before the invention of the cotton gin in 1794, it required the labor of one person ten hours to separate the seeds from one pound of cotton. Now the improved gin can do the work of fifteen hundred persons. Allowing two men to manage a gin, ginning the above amount of cotton for the nation would require labor equal to the annual labor of seventy-three hundred men. And enlarging the gin could reduce this number.

Before the invention of the spinning-jenny, the single thread on the spindle of the spinning wheel occupied the attention of one person. One person now, with less labor, attends to a hundred spindles, each making twenty thousand revolutions per minute. Before the introduction of the power loom, the shuttle was thrown by hand. Now the shuttle flies at the rate of from one hundred and eighty to two hundred and fifty strokes per minute, and one weaver can manage twenty power looms, each equal to twenty hand looms.<sup>2</sup> The old-time bleaching process, by the agency of the sun, consumed from six to eight months. Now, by a chemical process, bleaching is done quickly and in bulk. The fact that industrious common wage earners are not more warmly and abundantly clothed than formerly, should be a demonstration, that, whatever may be the progress of invention, even common necessities must continue to be scarce and hard to obtain for the multitude as long as the present economic system endures.

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\* There is little probability that the cotton will be picked by machinery to any great degree, owing to the fact, that, cotton growers seldom own the land and would have no incentive to displace themselves. Negro children and poor whites are now cheaper than the machinery. Nevertheless the thoughtful reader will see at once the economic waste in the mal-occupation of an unnecessary number of work people.—[W. H. T.].

<sup>2</sup> America at Work, Frazer, p. 251.

The Fall River factories, with thirty thousand operatives, can turn out twenty-eight thousand four hundred and twenty-three yards of cloth for each operative.<sup>3</sup> At this rate about one hundred and fifty-eight thousand operatives could turn out annually forty yards of cotton cloth for each person, or two hundred yards for each family in the United States. And by further invention and scientific methods still fewer operatives would be required.

Machinery can now be used, in the production of linen goods, in all operations from plowing of the field to the finished garment.<sup>4</sup> The new process is now used in Oxford Linen Mills at Gardner, Massachusetts. The straw in the fields does not need to be pulled by hand, as formerly, and it is not necessary to sacrifice either the seed or the straw. The straw is delivered to nearly automatic machines, which do all the work of preparing the flax for spinning and weaving, including the bleaching, which previously required months. Flax can be grown in all climates where agriculture is possible. Under The Other Economics, the common people would perhaps change back from cotton and shoddy, to linen and woolen; and they would have all the clothes they could use at less labor. These could easily be made so abundant that no one would desire to steal them. They would be without price because there would be enough for all. And, if we dared indulge in prophecy, for a moment, we would declare that one who would not do his part in serving the new order of business when that plan had demonstrated its power to produce "plenty," would be sent to a reformatory institution which would give him an experience of the life of a low wage earner in one of the sweatshops of former days.

Shearing sheep is now performed on some ranches by an electrically operated sheep-shearing machine. In a Republic under The Other Economics, sheep would be reared in great ranges where they could take care of themselves in winter as well as

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<sup>3</sup> Ibid.

<sup>4</sup> F. N. Bausket in Van Norden Magazine, 1909.

summer. They would require but little attention in sheep ranches properly prepared for them in right localities. A scientific arrangement would not permit sheep and cattle to be kept on ground adapted to the plow. The labor wasted in fencing patches of land and in making the fence to surround little private gardens and fields today, would, if saved and used to the best advantage, clothe our nation. Exterminating wolves, draining bogs and preparing great ranches would cost less than our present war preparations and would certainly mean more to the comfort and luxuries of the race. Under best conditions the human labor represented by a yard of average woollen cloth would be about the same as that represented by an average yard of cotton, and less than half as many yards are used.

One woman sewing by hand, in former days, when the average inhabitant was as comfortably clothed as he is now, could make nine shirts in six days. If she had been paid as little for making a shirt, as is now paid to sewing women in London, her wage would have been less than two cents a day. When the sewing machine was invented in 1846, a woman, thus assisted, was able to make ten times as many stitches in a day. The modern factory sewing machine has raised the speed of the sewing machine from a few hundred to four thousand stitches per minute.<sup>5</sup> In ready-made clothing factories, hundreds of suits are cut from the same pattern, and cloth-cutting machines cut through several inches of cloth at once. Two persons and the machine can do the work of five hundred persons cutting cloth with hand shears. In Chicago all cheap tailoring is done by work-people, who receive as low as two cents for doing all the sewing on a pair of trousers. By working hard, one woman can sew sixteen pairs in a day and earn thirty-two cents.<sup>6</sup> Her daily wage, we would think, could scarcely buy one good meal at a restaurant; not to mention other meals, clothing, shelter, sickness and periods of unemployment. Less

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<sup>5</sup> Progress of Invention, Byrn, p. 193.

<sup>6</sup> America at Work, Frazer, p. 144.

than thirty thousand men, each making sixteen pairs of trousers in a day, could make three pairs per year for the male population of the United States. Five times this amount of labor should be sufficient for making all garments for the male population; and the sewing for women would be about the same as for the men, considering the average of them as they are now clothed. Therefore, about *three hundred thousand persons with best machinery could make garments, including underwear, for our population*. There is no way of ascertaining how many million men and women are now employed at this kind of work more or less of their time. In the production of hosiery the saving of time in favor of the machine, as compared with hand labor, is in the ratio of about one hundred and fifty-five to one.<sup>7</sup> The average pair of stockings (for men and women, children and infants) would require, in the making by hand, about one person's time for a whole day. Fifteen thousand women whose labor is made one hundred and fifty-five times more effective by machinery, could do this work for the population of the nation and give each person seven pairs of stocking per year.

Prior to 1861, when the average inhabitant was as well supplied with shoes as he is now, and "bread lines" were never heard of, shoemaking was confined to slow hand methods. The McKay sewing machine, invented during that year, enabled one operative to sew nine hundred pairs of shoes in ten hours. The Goodyear felt machine introduced some further improvements.<sup>8</sup> A girl and a machine can fasten buttons on shoes at the rate of about nine thousand buttons in a day. Another girl can make holes and clamp in eyelets for about one thousand shoes in a day. A hundred years ago, from twelve to fifteen months were required to tan hides; now, skins are changed into leather in a few hours. Great numbers of skins being tanned at the same time; the labor time for this work that should be charged against one pair of shoes is inconsiderable.

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<sup>7</sup> 13th Annual Report U. S. Com. Vol 1, on Hand and Machine Labor.

<sup>8</sup> Progress of Invention, Byrn, p. 190.

A test was made in a New England shoe factory, and the time of making a pair of men's shoes was only seventeen minutes.<sup>9</sup> Many operatives and machines were engaged in the work, but labor time equal to seventeen minutes of one man's time was all that could be charged against one pair of shoes. And even this time can be shortened.

Each person, on the average, wears out two and a half pairs of shoes in a year. Allowing labor, equivalent to seventeen minutes of one person's time for making one pair of shoes, labor, equal to the annual labor of about twenty-two thousand persons, could make shoes of ordinary grade for a population of ninety-two million. The reader will see that there is very little guess-work about these figures. To appreciate the waste of labor it is only necessary to remember that in 1905, there were 160,294 persons statistically recorded as engaged in the making of boots and shoes throughout the country, in big shops and little ones. A saving of over 700 per cent. of labor time could be made in this industry alone by The Other Economic system. Our nation cannot be profligate of "labor time" without loss of comforts and luxuries to her people.

In establishments making millinery and lace goods in 1909, the product, per wage earner, was valued at twenty-one hundred and eighty-nine dollars. For wool hats, at factory prices, the value of the product was a little more than nineteen hundred dollars per wage earner. If the prices are doubled before this class of goods reach the consumer, about one hundred and ninety thousand work-people could annually manufacture ten dollars worth of millinery and lace for every woman, and six dollars worth of hats for every man in our country. This includes children and infants. We are considering only the present standard of living now attained by the average family, including farmers and common wage earners who are the great majority of the population.

In the above industries there is less concentration of capi-

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<sup>9</sup> America at Work, Fraser.

tal, less saving of labor, than in the best factories; and in the best factories more than half of the labor now expended would be saved, if millionaires were required to, either provide extra machinery, or, do the work themselves. The most effective labor-saving methods would be used in all operations in all industries under The Other Economics. Much less than half of the above number of laborers would be needed to make the present supply of hats, millinery and lace goods for our nation.

After reviewing the preceding estimates we see that, approximately, *five hundred thousand persons* could provide the principal articles of common clothing for the whole population of the United States, if business were organized and conducted under the rules of The Other Economics. The necessary labor-saving devices exist and are in use in some places. Under The Other Economics "people" would be capital. No cheap boy, or girl, or adult would be cast into the savage smelter of commercialism in order to refine a "few cents profit per yard" of cloth for a few fortunate lords. The best known labor-saving machines and methods would be introduced into all operations in all industries *to save and improve people*. All displaced labor would be re-employed in providing usable wealth and sufficient leisure for all who serve the common good.

Adding to this estimate, the number estimated in the preceding chapter for producing food, we see that, approximately, six hundred thousand work-people, *or less than half the number out of employment and seeking work in our country*, could, under The Other Economics, produce comfortable clothing and wholesome food for the entire population of the United States.

## CHAPTER VIII

### MINING

For most operations in all kinds of mining, power machines can be used. In preparation for blasting the Walker drill, worked by compressed air, drills three feet into hard rock in fifty-five seconds.<sup>1</sup> Sharpening the bits of rock drills, in some mines, is done automatically. They are heated, sharpened, upset, fluted and brought back to the exact size and diameter by machines, passing from one to another mechanically.<sup>2</sup> There is a machine for tunneling through rock that makes a tube eight feet in diameter, and the pulverized rock is removed without hand labor.

Anything that electric motors can do above ground, they can do under ground, in the same space. There could be automatic self-dumping cars, automatic elevators, electric power shovels, and automatic conveyors, adjusted to the work required in mines and quarries.

The Ridley and Jones coal cutting machine is a small affair, only about two feet high and three feet long, and can undercut a seam of coal four hundred and fifty feet in length, to a depth of three feet, in eight hours.<sup>3</sup> There are other varieties of coal cutting machines. You go into a "room" in a coal mine where one of these machines is used, and you see two men, or a man and a boy, managing the machine while it does *all the hard work*. They put the face of the machine against the lower part of the coal and pull the lever. "Immediately there

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<sup>1</sup> 13th Annual Report of U. S. Com. of Labor on Hand and Machine Labor, Vol I.

<sup>2</sup> Popular Mechanics, Sept. 1910.

<sup>3</sup> Labor Saving Machines, Samuelson.

whizzes a chain with a hundred teeth that can cut through coal at the rate of six feet in two minutes." Two men and this machine can mine ninety tons in a day.

Miners naturally object to the introduction of these machines. With slow tools, they cannot find employment now, all the year, but can mine more coal in seven or eight months than the operators can sell. They do not want work taken away from them, but "made" for them; and would be happier if they were furnished with tools which were even slower than those which they now use. They and their families can barely live when they are getting wages. The periods of unemployment cause their distress to be greater than the comfortable class can imagine. They know that although machinery may increase the productivity of labor a hundred fold, it cannot, under the present economic conditions, increase the income of the lower multitude to which they belong.

Even the boys whose health and mentality are sacrificed at the picking belts in the anthracite coal regions, could be, and in some instances are, thrown out of their jobs contrary to the desires of their toiling but poverty-stricken parents, by machines named coal-jigs, which take out the slate and other impurities, at the same time grading and washing the coal.<sup>4</sup>

Under The Other Economics, little coal would be used, in comparison with the amount now consumed. Homes, farms, factories and railroads would be provided with electricity, developed without the aid of coal, furnishing light, heat and power. That which is *already* accomplished in this direction is enough to show what could be done universally, so far as the bounties of nature and the present inventions are concerned. A rapid and universal change from steam to hydro-electric power—even if it should not be permitted to cause an increase in the per capita amount of consumption of goods and the disaster of so-called overproduction—would be impossible under

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<sup>4</sup> Industrial Progress, Cochrane, p. 325.  
America at Work, Frazer.

the present economic system. Many of the present manufacturing centers could not compete against the new ones springing up nearer to places where sufficient water power might be developed. But, under The Other Economics, the welfare of the common people of the nation would not be sacrificed in the interests of the money values of real estate, even in such great cities as Chicago and New York. As business is adjusted at present, the majority must be held in various degrees of poverty regardless of the vast possibilities of inventions and new methods.

About fifty million tons of coal were turned into coke in our country in 1909, and coke would still be needed in the new age. About fifty-six thousand wage earners were employed in mining this amount of coal; mining machines would make the labor of one man equal to that of nine former men.<sup>5</sup> With the best labor-saving methods now possible, *seven thousand men* could mine this amount of coal by working through the year. Twenty-nine thousand men were employed in making coke. Coke is drawn out of ovens by men using heavy iron scrapers, who then load it onto cars. The men are cheap and the work is slavish. In properly constructed ovens, a machine thrusts a ram into the oven on one side and forces it out, through an opening on the other side, into cars. Three-fourths of the labor in making coke could be saved by labor-saving devices now existing, if the owners of the business were required to either introduce the devices or do the work themselves.

In 1909, the number of wage earners in the United States employed in metallic mining, drilling for oil, mining structural, abrasive, chemical and other materials, was about one million and sixty-five thousand. This includes all who were working in mines and quarries, most of which were equipped with poor tools being used in small enterprises. We may safely assume that one-fourth of this number of men, or 266,320, could turn

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<sup>5</sup> 13th Annual Report U. S. Com. of Labor on Hand and Machine Labor.

out an equal amount of product, if the best labor-saving machines and methods now known were used in all operations.

According to the estimates in this chapter, and the two preceding it, under The Other Economics, the annual labor of about *eight hundred and eighty thousand work-people*, would be able to produce the principal food supplies and principal articles of clothing and that part of the present supply of mine products which would still be needed, for the whole population of the United States. This is still less than half the number of industrious and law-abiding work-people in our country who, on the average, are out of employment and begging for work.

## CHAPTER IX

### TRANSPORTATION AND DISTRIBUTION

Nearly all hard work by low wage earners employed in railway transportation, could be avoided, and the number of employees greatly reduced, by the general use of labor-saving devices now existing. Traveling cranes can lift and carry a burden of any weight from a few pounds up to seventy tons.<sup>1</sup> Electrically operated automatic conveyors exist and could be used in freight houses. Box cars having roofs that can be lifted off and returned by electric cranes are now used on the Tehauntepec Railway in Mexico, which hopes to compete with the Panama Canal.<sup>2</sup>

Cars can be loaded and unloaded by machinery. There are portable elevators that can incline to any angle and can be used in all freight houses and wherever goods are stored.<sup>3</sup> With a portable elevator, sixteen hundred packages, each weighing one hundred and forty pounds, have been piled in tiers in place of storage in two hours. Into cars having removable roofs, packages in crates of two tons each could be loaded or unloaded with electric cranes. One man managing the crane does the work of gangs of men. Five or six such cranes can load a thousand-ton barge in a night.<sup>4</sup>

Most of the roustabouts on our docks and the freight-handlers on our railroads could be thrown out of employment by the use of electric cranes and automatic conveyors. Under The Other Economics, which takes care of displaced labor, all

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<sup>1</sup> Labor Saving Machines, Samuelson, p. 26.

<sup>2</sup> The Technical World, June 1910.

<sup>3</sup> Popular Mechanics, Feb. 1911.

<sup>4</sup> The Technical World, April 1910.

men in all industries would be thrown out of slavish jobs as fast as possible, in order that they might be re-employed in making and using other instruments of production to increase to the utmost the *total amount* of wealth and leisure for all who serve the common good. Under a scientific system of distribution, adjusted to the public good, requiring *no accounting* except the estimate of the amount of goods needed and the goods on hand, an army of bookkeepers, clerks, policemen, etc., could be displaced and re-employed in further reducing the work of production. (See Chapter XI, Part II.)

Automatic car lines are already in successful operation and are adapted to the transportation of goods over relatively short distances. They do not need to be accompanied by a motor-man and can travel at any desired speed up to fifty miles an hour.<sup>5</sup> At one of the coal mines at Blossburgh, Pa., a train of two motor cars and four trailers carried sixteen thousand pounds of coal at a trip, automatically dumping the coal and returning empty to the loading chute at the mine. This system of automatic transportation can be adapted "to serve rural communities by carrying mail and packages, and to use concrete tube systems for transportation under ground in congested centers of population, and for moving freight in railway terminals. It is in the automatic package delivery that the most interesting features are exhibited. It is intended to send these little cars out over a system something after the manner of a cash carrier in a department store, only the cars are self-propelled by little motors and will travel up hill and down dale. In delivering mail it is planned to direct these cars from a central station operator. The car will slow down automatically, leave a mail box containing a farmer's mail, locked in a box in front of the house, pick up a box containing outgoing mail, ring a bell in the house, and proceed on its way to the next station,

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<sup>5</sup> Popular Mechanics, Sept. 1910.

<sup>6</sup> Automatic Transportation in Popular Electricity, Oct. 1908 and Feb. 1911.

going at the rate of twenty to thirty miles an hour. The same method would be employed in delivering and collecting packages of merchandise."

One has only to imagine these existing labor-saving devices universally introduced, to readily see that the amount of labor displaced by them would be sufficient to make a great margin of displaced laborers, to be re-employed in producing a higher standard of living. So it would be under The Other Economics, but this can only remain a "fond hope" for the majority under the present system.

An electrical automatic device to take the place of flagmen at railroad crossings has been tested and is practicable.<sup>7</sup> The approach of the car causes a gong on a pole to give forth warning sounds and exhibits the words "Look out"; it also gives the customary signals at night. At Union Terminus in Boston, it formerly required fifty-one men to attend to switches and signals; now, by the aid of electricity, seven men do the work.

In restaurants, on railroads and elsewhere, waiters are no longer necessary. A mechanical waiter service for restaurants has been tested and is successful.<sup>8</sup> "The patron seats himself at the table, indicates his choice of dishes by punching a ticket, which, together with cash to cover his order, he places in a money box and drops through an opening in the table. The box is carried to the kitchen by means of a conveyor, the order is filled and placed on a tray, and automatically delivered to the table designated by the number on the order box. When the patron has finished he places the soiled dishes on the tray and starts it back to the kitchen."

A machine for oiling trucks of cars, used on the Santa Fe Railway at Los Angeles, enables two men to do, without labor, in five minutes, the work which formerly required the labor of

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<sup>7</sup> The Scientific American, Nov. 12, 1910, and Popular Electricity, Oct., 1910.

<sup>8</sup> Popular Mechanics, Dec. 1910.

two for a half hour.<sup>9</sup> In cleansing railway coaches a vacuum cleaning outfit, mounted on trucks, so that it can be moved from one car to another, is used in some places.

About thirteen hundred miles of railroads have already substituted electricity for coal. "Electrification is bound to come; that is the well considered opinion of the president of one of the great railroad systems of our country, a man, who, in a statesmanlike way, has led the railroad development of our times."<sup>10</sup> Hydro-electric power, awaiting development in our country, is sufficient to electrify all our railroads and all our industries. The electric devices for saving labor, already existing, if applied in all work on railroads, would be sufficient to displace nearly all hand toil, and one man could do the work of many men. The labor that could be saved by the substitution of electricity for coal would, in a few years, be equal to the work of making the change. Then, by the plan suggested under The Other Economics, the labor thus saved would be re-employed, as in other cases, in multiplying the comforts and luxuries for all who are working under that system.

When crossing the ocean have you looked down into the inferno where half naked, sooty and scorched men are shoveling coal into the furnaces under the boilers? Did it occur to you that all such savage barbarity and torture was absolutely unnecessary? It is now possible for *mechanical* stokers to do that slavish work while the *human* stoker, decently clothed and sitting in a pleasant room, could manage the mechanical stoker and, at the same time, do a great variety of other work, without hard labor. By manipulating electrical switches he could attend to the mechanical stoker, help to scrub decks, serve tables, polish shoes, or do anything that electric buttons and appliances are now doing somewhere. Mechanical stokers are now in use on some steamships and on some railway trains.

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<sup>9</sup> The Technical World, March 1911.

<sup>10</sup> The Railway Problem of Tomorrow, L. Bullard in Technical World, March 1911.

Petroleum, which is used on some steamships, should be used on all of them; for the human labor of mining petroleum is small in comparison with that required for coal, and a vast amount of toil is saved by using it for fuel. Scientists predict that ships will one day be propelled by electric power developed from the sun's rays, or from the movements of the waves of the sea. But we are not dreaming of future inventions: we are considering only *present possibilities with the applied science already known and tested*.

A few steamships, carrying as much as thirty thousand tons of freight, are loaded and unloaded by managing levers and electric buttons which control electric or steam power grab-buckets, cranes, endless belts, pneumatic suction devices and gravitation, which do the work. There are floating cranes adapted for use on rivers that can lift and carry one hundred and forty tons at a time.<sup>11</sup> At Madgeburgh, Germany, we may see huge cranes driven by electric power, swinging their great arms out over boats that open at the top, and lifting out goods into the upper stories of warehouses.

These labor-saving devices, at present, enable Christian capitalists to sell goods to heathens at a price low enough to drive heathen capitalists out of business, and at the same time get a profit for themselves. This compels heathen wage earners, driven by hunger and nakedness, to beg for work at lower wages, which tends to further reduce wages in Christian countries. We are not surprised that those who advocate "minimum wage" and "low tariff" at the same time, are now wondering, why butter is appearing on our markets in Chicago from Siberia, pork from China, wheat from Canada, etc. The minimum wage of heathen lands, which is a bare existence, will be a factor in the not distant future, that will open the eyes of many to the truth, that, our present high standard of living cannot be maintained either by protective tariff,—which has been

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<sup>11</sup> The Technical World, April 1910.

tried and found wanting,—or by our low tariff,—lately demanded by a public beginning to feel the first pangs of a country growing old.

The requisite scarcity of consumption goods for the lower multitude, is rigorously maintained by all the laws of the commercial world today. What would happen if it were otherwise! Prices, profits and wages diminish in proportion as the quantity of *consumption goods* in the market increases. All humanitarian suggestions such as “providing a minimum wage,” “better social environments,” “higher standard of living for the multitude,” are asking that the multitude be supplied with *more use goods*. But such noble sentiment is opposed by the laws of the commercial world which demand *scarcity*, and not plenty. And a candid mind will admit, that, for himself, he could not sell that which he is now offering, and get sufficient to support himself and family, if every person had *plenty* of the commodity he offers for sale. It is possible to change these laws, but no one has hitherto suggested a method.

Under The Other Economics, Christian nations, instead of building navies to promote and defend a business of making into *cash dividends* the ignorance and necessities of the heathen, would send teachers of applied science to accompany their missionaries. While saving their souls they would help them to abolish their poverty and obtain for themselves the wealth which the bounties of nature, in their own countries, are waiting to give them.

The lonely lighthouse keeper can now be released. The automatic lighthouse and automatic buoys, now being adopted by the United States government, only require inspection and attention at long intervals.<sup>12</sup> In one instrument the light is extinguished automatically by sunlight, at sunrise, and revived as night approaches. One type of buoy generates its gas by water, fed automatically to the carbide which it contains. It

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<sup>12</sup> Popular Mechanics, Nov. 1910.

whistles perpetual blasts of warning and gives forth a light which is visible at a distance of twenty miles. The lights continue from one to five years, or more, according to the amount of fuel installed.

Mr. Thomas A. Edison says that automatic stores are now possible.<sup>13</sup> "A few electro-magnets controlling chutes and hoppers, and the thing is done. I wonder the big five and ten-cent stores don't try the thing out so that a small package of coal and potatoes would cost the poor man relatively no more than if he took a carload. If I get time, I hope to produce a vending machine and a store that will deliver specific quantities of supplies, as paid for on the spot." Like most public spirited men, Mr. Edison thought out things that would be of vast good if we were adjusted to a system which would permit us to displace labor to the uttermost and to produce goods enough for all. A price system, as long as we continue it, will continue impoverishment and concentration of wealth; and his suggested invention would but accelerate the law of evolution in that direction. Suppose it should come to pass that automatic stores displaced the girls in the department stores. Would not their ability to support themselves be less than their "pittance" which of late has called forth much sympathy from the public? Four dollars per week to them, if that is their present average wage, would be better than idleness. Coal and potatoes at a penny per bushel, to the person without money, is a more serious problem than Klondyke prices to the person with money to meet them.

Three-fourths of the labor now expended in the retail distribution of goods could be saved for re-employment, provided we were adjusted to the other system, by simply consolidating the retail stores into larger ones. Mr. William C. Brown, president of the New York Central Lines, when giving an illustration of this waste of labor, in an address before the Cleveland Cham-

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<sup>13</sup> Popular Electricitly, June 1910.

ber of Commerce, said: "I live in an apartment building in New York which contains about forty apartments. Since the agitation in regard to prices has been in progress, I have taken pains to observe the methods of the retailers of meats, vegetables and groceries; and I have seen fifteen delivery wagons, each with a box or basket or two, waiting in each other's way to get into the area where delivery to the apartment is made. One wagon with one team and one driver would have handled without trouble all that the fifteen wagons contained. In the four sides of one city block, not far from where I live, there are sixteen small stores, or markets, selling groceries, meats, vegetables and so forth. Four of them without any trouble could do all the business of the sixteen."<sup>14</sup> By this consolidation of the business he believes that the owners and employees of twelve out of the sixteen stores could be released for other work, and are doing work which is useless. But Mr. Brown makes no provision for the displaced. Shall they join their capital and put in a railway to parallel his lines? If not, with whom shall they enter into competition and overcrowd their business? (See Chapter III, Part II.)

Under The Other Economics, raw materials, partly finished and finished products, would not be transported over long distances, to and fro over land and sea, in the interests of capitalists seeking profits in trade. When labor could be saved by doing so, goods would be produced in localities where they are consumed. When hydro-electric power is generally substituted for steam power, domestic or neighborhood manufacture would return, having all the advantages of the factory system and none of its disadvantages. While steam engine, shafting and belts need to be under one roof, in a great building, electric power conveyed on wires can be supplied to many neighborhoods from a power plant a hundred or more miles away. Much of the transportation of goods would be more local than at present,

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<sup>14</sup> The New York Times, May 27, 1910.

and when transportation of raw materials or products over long distances were required, they would be shipped directly to neighborhoods where they were wanted, without rehandling.

When we consider the possible avoidance of transportation and the universal use of labor-saving devices, of which we have given some examples in this chapter, we may safely assume that the transportation of products, equal to the present output, would not require more than one-fifth of the number of freight handlers who are now occupied in performing this work.

This would reduce the more than one million and five hundred thousand steam railway employees, who were employed in our country in 1911, to about three hundred and thirty thousand; the more than seventy-eight thousand boatmen and sailors would be reduced to about sixteen thousand. Perhaps one hundred thousand, or about one-sixth of those who were classed as salesmen and saleswomen, would still be needed to assist in the new form of distribution of goods; but the total number employed in transportation and distribution of products would have been reduced to about four hundred and ninety thousand.

According to the estimates of this chapter and the three preceding it, labor, equal to the annual labor of about one million three hundred and seventy thousand work-people, would be sufficient to produce the principal food supplies, the principal articles of common clothing, that part of the present supply of mine products which would still be needed, and could do the work of transportation and distribution for the whole population of the United States.

According to the government estimates in 1900, six million were unemployed some part of the year, and more than two million men were unemployed from four to six months of the year.\* To this must be added the number of women seeking

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\* [The U. S. Census of 1910 does not give the number of unemployed; but the number of men 15 years of age and over is 32,425,805 and number of married men is 18,093,498; while the total number of wage workers, male and female, as given in the best labor month is 7,006,853. The conclusion seems certain

work. Careful investigations have shown that not more than twelve per cent. of unemployment can be charged to laziness: laziness, in most instances, is caused by hopelessness. Among those who are seeking work, are men of skill who could superintend the unskilled. Labor union records show that in highly skilled trades, thirty per cent. of labor, on the average, is unemployed.

Much less than the number of our work-people who are *unemployed* and seeking work, if furnishd with the best labor-saving appliances now known, could produce the principal food supplies, and the principal articles of common clothing, and could do the work of mining, transportation and distribution for our nation.

Suppose that these estimates are only approximately true, or view them as conservatively as the reader will, they are yet sufficiently startling to set us to thinking along a new way; and to cause us to question the divine authority of cave men whose business principle of "grasping" has been copied and further evolved by all men and nations until now.

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that a very large proportion of the male population of working age (not to speak of females) was out of employment some of the time.

The population of the U. S. in 1909 numbered 75,995,575 and the unemployed for some part of the year were 6,000,000 and more than 2,000,000 unemployed from four to six months of the year. The population in 1910 numbered 91,972,266 (not counting outlying possessions). If this same ratio held in each case the unemployed in the U. S. in 1910 for some part of the year were over 7,200,000 while those unemployed from four to six months were over 2,400,000.

—W. H. T.J.

## CHAPTER X

### TOWN BUILDING

Solitary confinement is a mode of punishment. Insanity is most prevalent among the lonely wives of farmers. Poets and editors, who write about the "delights" of country life, are thinking of a summer vacation; or were farmer's sons, who left the farm as soon as they could get employment in the city. The farmer and his wife, as a rule, are struggling to become able to rent their farm to a tenant and move to the nearest town.

Under The Other Economics, and with our present means of travel, farmers could live in towns, even when employed on farms ten or twenty miles away. Farming is one of the learned professions. In our day of agricultural colleges, when, under The Other Economics, their poverty is abolished, farmers and their families could be persons of the highest social and intellectual culture.

Those kinds of manufacture that could be best organized in small towns, without waste of labor for the nation as a whole, would be carried on in every town and village to supply local wants and to give variety of employment; for there is variety of talent in every family.

No human being should be confined wholly to one occupation. It is contrary to human nature. It is demanded for the majority by the present economic system; but society pays a fearful penalty for this intellectual enslavement of the majority. Even a loved occupation becomes slavish when unrelieved by change. "One-study Universities" have been attempted and failed. When a student is carrying forward several studies in different fields of knowledge, his progress is more rapid and

he finds greater pleasure in learning. *No healthy child is born a loafer*; and every healthy man has talent in him which would be active if sufficient variety of employments and rewards were provided for him. More heroism is shown by the factory hand who spends a lifetime in continually repeating the same muscular movements in feeding or guiding a machine, than has ever been exhibited on battlefields! In view of such economic torture the wonder is, not that so many bright young men are entering the field of bank-robbing as a vocation, but, that there are so few. Nothing but the bludgeon and the lash of the overseer and centuries of chattel slavery could have conquered human nature to the extent exhibited in our age. Every child has to be conquered in similar fashion. After he is outwardly conquered the spirit of revolt continues in him. The waste of labor and loss of possible skill and enterprise, by not accepting human nature's opposition to monotony and adjusting the economic system to it, were enough to have provided wealth, for all, before the pyramids of Egypt were built. Under a less brutal system, as great a variety as possible of industries and *recreations* would be provided in or near the beautiful towns and villages which the Nation "of, by and for the people", in a real sense, would build for its members.

Could a government *for* the people, under The Other Economics, build splendid homes for all who serve the common good? Let us consider this question.

A tree-felling machine can bring down a tree three feet in diameter in four minutes, and after it is down, saw it into logs. A skidding and loading machine operates over a circle in the forest having a diameter of thirteen hundred feet, by means of ropes and pulleys. It hauls and loads the logs on trucks, which carry them to the mill.<sup>1</sup> In the mill nearly automatic machines handle and saw the logs into lumber and deliver them to places of storage, or upon cars. In some estab-

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<sup>1</sup>Labor Saving Machines, Samuelson, p. 18; also Modern Industrialism, McVey.

lishments a log once started through the mill is carried automatically from one machine to another until it emerges in the desired regular or irregular forms, or even as boxes of tooth-picks ready for use.<sup>2</sup> All the wood that goes into a house would be put into shape by automatic machines in mills, in a commonwealth governed by the principle of The Other Economics.

Wooden houses, however, are a great waste of labor for the present generation and the generations following; and a scientific system of government would not ignore the interests of its young children, nor its own prosperity in future generations. Brick and stone are more lasting than wood and are a great saving of labor, when the future is taken into account. If all the labor-saving devices which we have mentioned in preceding chapters, not to mention others, were used in quarrying stone, shaping the blocks, conveying them, hoisting them into place, etc., but comparatively few men would be needed to build a palace of rock; and but little hard work would be required from beginning to end. For example, the new machine for making bricks, previously mentioned, enables two men to turn out forty thousand vitrified enameled bricks in a day. These bricks being impervious to moisture are estimated to last a thousand years. The machine is entirely automatic. "From the time that the material is dumped into the hopper at one end, until the green bricks are removed to the drying trucks, the human hand does not enter into the method of production in any way."<sup>3</sup>

The metamorphosis of civilizations, from the early stage and primitive life to that of concentrated wealth and multiplied want for the majority, has been called an advance of civilization; but the advances recorded, often constitute a record of the favored few and not of the majority of the people. Wealth could not concentrate without being deducted from people. No nation, or civilization composed of numerous nations, can attain wealth and peace when the ruling principle of every indi-

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<sup>2</sup> Principles of Economics, Fetter.

<sup>3</sup> The Technical World, Sept. 1909.

vidual citizen is an antagonistic struggle to get much from others and give back but little. The total product of wealth, by such an idiotic endeavor, can but grow less and less for the majority as the amount of "inventions and power machinery, controlled by the ever-lessening number of 'fittest fighters'", increases. Discontent and violence are the next steps. Then, ages afterward, men dig up the remains of the so-called civilizations, finding evidences in every quarter of the futility of man's endeavors to perpetuate a government based on a wrong economic principle. The historical student knows that our boasted modern civilization is already reaching the pangs of the last stage of this metamorphosis without achieving even as much, along the lines of true culture, as have some other ages.

There have been other concrete ages. Ours has only arrived; but is here—ready and waiting to help enrich us if we were wise enough to adjust ourselves to a business principle that would permit it to be of general benefit. A house can now be "poured" in a day, and it can be indefinitely enlarged and can be shaped to any desired style of architecture. A booklet written by Thomas A. Edison informs us that houses constructed of concrete can be built in lots of one hundred or more, and that it is possible to cast a house complete in six hours by pouring into iron moulds having the form of a house.

After removing the forms, or moulds, there is left standing a complete house with a fine surface, plain or ornamental, all in one solid piece, including the cellar, partitions, floors, roof, stairs, mantels, veranda—in fact everything. The windows and doors, if of wood, are the only parts of the house that would be combustible. Every variety of house, including ornamentations, size of rooms, height of building and architectural design can be attained by arrangement of the forms. The house when built by this automatic method is waterproof and damp proof and the houses when built will last a thousand years; for in Italy, at the present time, concrete structures exist which were made of old Roman cement, and they are still in a good state of preservation,

although they were constructed more than two thousand years ago. Concrete will last as long as granite and will stand fire better than any known stone.

After reading this publication by Mr. Edison we could not avoid thinking of a carpenter and builder in Nazareth who lived when those Roman buildings of concrete were being constructed; and who knew that others had been built before his day. He was a mechanic as well as a deep thinker on sociological and economic subjects. According to his opinion a Commonwealth, having access to such bounties of nature as existed even in little Palestine, if doing business under the *other* principle of economics—the giving principle instead of the grasping—could produce for its citizens “a hundredfold more houses” and other material goods. With the thought of the possibilities of machinery in mind, we believe that his apparently extravagant estimate was reasonable, even in his day; though it might have required the co-operative donation of labor and surrender of private property for a generation or two to produce homes like Herod’s and the High Priest’s, for every member of His Kingdom. Had men but understood the value of His economic principle of “giving” and followed His suggestions, it doubtless would have “drawn all men” unto Him and into His singular “Kingdom of God” whose method of business was a direct reversal of that of “the kingdoms of this age.” The applied science of the days of Jesus was much greater than the popular imagination has pictured. The carpenter and sociologist of Nazareth knew what he was talking about! He had practical business sense.

According to Mr. Edison’s statement, iron moulds, cranes, traction steam shovel, conveying and hoisting machinery sufficient for building one hundred and forty-four houses of six rooms each per year, could be operated by thirty-seven men including foremen and engineer.

With these equipments, the more than one million men who are now employed in building trades, could build a twenty-four room mansion for every family in the United States within six-

teen years; and when built they would last more than ten centuries.

The making of cement is practically automatic.

The human labor that could be secured simply by using the best labor-saving machinery in the *one* vocation of farming would be sufficient to produce the machinery needed in the automatic construction of buildings and cement making.

The new state hospital at Lima, Ohio, is an example of what may be done along the above-mentioned methods.<sup>4</sup>

Materials for concrete are enough to build a palace for every family on earth and to supply all future generations; and these palaces could be built with the same ease and enthusiasm that children now construct their houses of blocks.

The toilers in our consumptive incubating sweatshops, who make our clothes and who live with their families in two or three dark rooms and take lodgers to help pay rent; and the man who is thrown out of work, using his last five cents to pay for a chance to sleep on a cellar floor,—these are victims of the present destructive system, according to which the scarcity of things desired is the one objective condition of value—with no Church or College or Statesman of our day lifting a word of condemnation against the fundamental principle of evil!

In grading town sites there are traction machines for plowing, digging, conveying, and leveling the earth. At Dawson, on the Yukon, a machine, employed in digging and conveying gravel to assist the Canadian Klondike Company in the search for gold, is operated by electric power and has a capacity of ten thousand cubic yards a day.<sup>5</sup> This is equal to one and a half million hand shovelfuls.

We have seen a trench-digging machine in use in the Pecos Valley, New Mexico, operated by three men, which dug a trench eight feet deep at the rate of two miles a day;—laying tile at the same time. There is a similar machine which enables *one* man

<sup>4</sup> Zion's Herald, Boston, Jan. 27, 1910.

<sup>5</sup> Popular Electricity, Feb. 1911.

to dig a trench six feet deep at the rate of about a half mile in ten hours.<sup>6</sup> At Santa Monica, California, a machine is used which lays a continuous line of concrete pipe which is polished within and without as it is deposited in the trench. This traction machine makes and deposits the pipe in the trench in the same operation. It moves along in the trench ahead of the finished pipe, and will manufacture pipe up to thirty inches in diameter as desired. There is a trench-filling machine that enables two men to fill twenty-five miles of trench in a day.<sup>7</sup> These machines can be still further enlarged.

In about three months, six men and machines could dig trenches and lay pipes for sewers, water mains, and pneumatic tubes for a town of two thousand inhabitants living on four hundred one-acre lots; after which the machines could be passed on to other fields for town sites.

In preparing crushed rock to be used in paving the streets, a machine would be used like the one now installed in the plant of the Biwabik Mining Company at Biwabik, Minnesota, which can crush pieces of rock weighing ten tons and can produce a forty-car train load per hour.<sup>8</sup>

By the aid of machinery, which would be further described but for its common knowledge to most readers, the whole work of digging trenches, making and laying pipes, and paving streets, alleys and walks for a town of two thousand inhabitants, living on four hundred one-acre lots, would not require more than the labor of twenty men for one year.

At this rate about fifty-eight thousand men could do all this work upon town sites sufficient to contain the whole population of the United States, in sixteen years. But in the adjustment to the principle of *The Other Economics* this department of labor would not be a difficult problem nor require the amount

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<sup>6</sup> *The World's Work*, Jan. 1911; also *The Technical World*, May 1911.

<sup>7</sup> James A. King in *the Technical World*, Dec. 1910.

<sup>8</sup> *Popular Mechanics*, Feb. 1911.

of labor given in this estimate, owing to the fact, that there are many good houses already in existence and many cities which might not need to be generally changed for some time to come.

But, unless we *abolish* our present system of "grasping", the possible blessings of labor-saving machinery are but fantasies such as rise before the vision of men in their hours of delirium.

## CHAPTER XI

### WEALTH AND LEISURE FOR ALL

They who imagine that *making* labor-saving machines gives employment to labor, equal to the labor displaced by the machines, are misled by the fact that most of the labor, displaced by the introduction of power machinery, has been re-employed in effecting the readjustment to the change. They are not sufficiently acquainted with the industrial conditions, in the days of their grandfathers, to know that it has not been re-employed in increasing the per capita amount of consumption goods. Most of it has been re-employed in changing the tools of production, trade and transportation and in substituting new kinds of consumption goods for some previously consumed. The former average amount and varieties of scarcity and poverty for the common people continued, as we have shown in the chapter on Wages. The amount of consumption goods, even for the capitalist class, has not been increased by the introduction of steam power. The captains of industry are fewer in proportion to the population, and they do not consume more than the greater number of smaller capitalists previously consumed.

The scarcity and prices of consumption goods have been maintained in the interests of trade; for otherwise profits for traders and wages for their employees could not have been obtained by handling the goods after they were produced. Under the present system of business, if traders cannot obtain profits, goods cannot be sold in the markets, and capital and labor are thrown out of employment; for they cannot continue to produce goods which the traders will not buy.

Under The Other Economics there would be no trade, no prices, no profits and no wages to limit production and distribution and to perpetuate poverty.

The notion that "making labor-saving machines" gives employment to labor, equal to the labor displaced by the machines, is too absurd to stand the test of a few moments of thought. If the labor of making labor-saving machines is equal to the labor saved by them, they are not labor saving machines, and they would be prodigiously expensive. A workman working with the aid of a lever in the form of a wooden canthook, is using a labor saving tool. In some kinds of work it saves a great amount of labor before it is worn out. If, making a canthook, gives employment to as many laborers as it displaces, and the working life of a canthook when in constant use is five years, and it enables one man in rolling logs to displace five men rolling them by hand, the making of a canthook, which is a simple piece of wood with iron hook attached, should furnish employment to five men for five years. If wages were \$1.65 per day, a canthook would cost over \$3,000.00. A man who knows enough to use a canthook should be able to understand that only a very little of the labor saved by canthooks is re-employed in making them. The same principle applies to all labor-saving tools, whether they are simple or complex in their construction, and whether they are joined with hand power, foot power, or any other kind of power.

The average steam engine would cost more than one million dollars at the manufacturer's price, if, during the time between its completion and when it is thrown on the scrap heap, the labor it saves is re-employed at two dollars a day for each laborer, in making another one. We have seen that according to the opinion of experts the steam engine makes the labor of one man equal to that of one hundred and twenty men. The wages of one hundred and twenty men at two dollars a day for fifteen years would amount to more than one

million dollars. The pneumatic plow, scraper and spreader, used in the construction of the Panama Canal, which makes the labor of one man equal to that of twelve hundred men, would cost more than ten million dollars! A common foot-power sewing machine which makes the labor of one woman equal to that of ten former women would cost twenty thousand dollars at the factory. If the life of the machine is fifteen years and if the labor saved by the machine is re-employed in making another one, and each laborer thus employed receive only fifty cents a day, the retail price of the machine would be about sixty thousand dollars, since it cost twice as much to sell a sewing machine as it does to produce it. Thus we see the absurdity of the notion.

+ We have shown that, approximately, about two million work-people, if supplied in all their work with the best existing labor saving machines and methods, could produce the principal food supplies, the principal articles of common clothing, and do the work of mining, transportation and distribution for the whole population of the United States; and within sixteen years could build a home of twenty rooms for every family in our nation, and the homes when built would last more than a thousand years. This means that one-tenth of our working population could do more for the people under The Other Economics than they are all doing at the present time. We are therefore more than 90% inefficient as a working nation, and shall remain so as long as our present system continues.

Machines can do most of the physical work of making machines and of obtaining the raw materials of which they are made. They can do most of the work of keeping up repairs. They would need but little human assistance in the production, transportation and distribution of goods. This remaining 90% of the population, after the whole population is provided, by other laborers, with the principal food supplies, and the principal articles of clothing and commodious mansions, could soon produce most of the luxuries, now enjoyed

by the millionaires, in such abundance that there would be enough for all who serve the common good. After the minimum standard of living becomes equal to that of millionaires, the hours for labor could be shortened until no one would be required to spend more than an average of an hour or two a day in industrial exercise.

This assertion is not visionary.

The bounties of nature are sufficient, as shown in the chapter on Resources. The necessary machines are already existing and only need to be used in all operations in all industries to which they can be adjusted. If the mechanical arts and applied science of nineteen hundred years ago, according to the opinion of One whose superior intelligence all Christian nations revere, would have enabled a commonwealth under The Other Economics to produce and distribute "a hundred-fold more" material wealth than was then produced, we ought to be able to obtain respectful attention when we advocate the same opinion in this twentieth century.

Shortening the time of necessary labor to an average of two or three hours a day should not be regarded as incredible. All labor is now, on the average, one-fourth of the time idle, and by giving it steady employment the hours of labor could be shortened by one-fourth, without diminishing the present production. This would shorten the ten-hour day to seven and one-half hours. Nearly two million middlemen, including those who are directly and indirectly employed by them, would be thrown out of employment, by shipping goods directly from producers to consumers. If they should become employees in manufacture, they would increase the number by about 37%, so that the former amount of production in manufacture could continue, while the hours of labor could be still further reduced to less than three hours a day. As we have shown, the majority of our manufacturing establishments are small and poorly equipped with machinery and the best of them use, in many operations, the muscular toil of

men, women and children because they are very cheap and because the desired speed of the establishment as a whole admits of only slow work in some of its departments. The introduction of the best labor saving devices into all operations in manufacture would still further reduce the time of labor from less than three hours to less than one hour a day; and still continue the former amount of production. Still further reduction of time could be realized by adjusting public education to a system of "learning by doing"; wherein tens of thousands of boys would, under proper instructors, find a delight in making their hands assist their brain in acquiring knowledge of trades.

In agriculture the general introduction of the gangplow, alone, would save 60% of the labor expended in tilling the soil. This would throw 60% of the labor in agriculture out of employment, and, by taking short turns in the work, each person employed in agriculture, (whose hours of labor would already be shortened by giving employment to the great army of the unemployed), would be reduced to three hours a day, and the former amount of production would continue. This could be done by the traction gangplow. Introduce into agriculture, throughout the commonwealth, the other labor-saving machines and methods described in the chapter on Production of Food, and the average time of labor for each person now employed in agriculture, if retained in agriculture and permitted to have an equal share of work, would be much less than an hour a day.

And when the hours of labor are much shortened, they can be still further shortened by giving self-respect and happiness to the great multitude who are now thrown upon the human junk heap, when, on account of age or physical infirmities, they are no longer able to endure hard work for ten hours a day. All boys and girls would be benefited as well as thoroughly educated by taking short turns at work in the industries of the commonwealth. All women could give a lit-

tle of their time to the nation's industries when the nation is doing all hard work for them. We take no account of prisoners, for it is questionable whether such would exist under The Other Economics where there would be plenty for all who labor. Those who were in the learned professions would need two hours a day in industrial pursuits; their mental and physical health would be benefited by such diversion.

When we turn our thoughts away from money, prices, profits and wages, and imagine all Americans occupied in the work of multiplying the best existing labor-saving devices, and using them in all operations and in all industries to displace and re-employ labor to the greatest extent possible—aiming to produce things desired until they can no longer be given away to those who assist in their production and distribution—we cannot but see that under such a system of business it would not be many years until men would refer to our present system of economics as the chiefest relic of barbarism.

Let each man make his own estimates; this book is only intended to help men to use their own eyes and to do their own thinking.

Whenever anyone sees work being done by hand or with slow tools, let him think of it as an economic crime and the product of a criminal system. Let him go to the public library and read descriptions of the best machines, existing somewhere in the world, constructed for doing that special task; let him estimate what would be the amount of product from that kind of labor if these machines were used everywhere in our country where that kind of work is being performed; let him estimate what the men, displaced by the universal introduction of labor-saving machines, could do during a lifetime in some other kind of work, if using the best labor-saving devices; let him consider that labor, displaced by labor-saving machines, could make machines to displace other laborers who would be re-employed in still other work; finally, let him estimate, as closely as possible, the amount of production of goods for dis-

tribution, including necessities and luxuries, which might be attained if the best existing labor-saving methods were used in all operations in our various industries,—no one can continue such an investigation long without becoming convinced that poverty is an unnecessary evil existing because of man's superstition and folly.

## CHAPTER XII

### THE MENTAL AND MORAL POWERS OF THE POOR

The opinion, that the poor, who endure the scarcity of things desired, upon the perpetuation of which the existence of the present economic system depends, are inferior in mental capacity, is unjust and cruel. The rich and their cringing flatterers naturally assert, that the size of a man's soul is in proportion to the amount of money he commands. There are other talents than those which are needed by a bully when wielding a club, or when engaged in the scramble for dollars in order to get possession of the bludgeon, falsely named, capital. When the club is private ownership of the means of life in the presence of a poverty-stricken and hungry multitude, there are a great variety of talents which are not needed in wielding it, or in submitting to the will of its owner. Dollars are not the only thing in this world to test the strength of, and to give employment to, the reasoning faculty.

Even in relation to money, the poor exhibit mental power equal to that of the rich. The owners of a bank do not have as difficult a financial problem to solve as does the average wage-earner who is struggling to pay rent and to feed, clothe, and protect the future of his family on a *dollar and sixty-seven cents* a day. The diplomacy which a poor man's wife uses in rearing her children, to keep them from falling into conditions worse than her own, shows as much mental strength as that which is *exhibited by the President of the United States*. Probably, when she and the President were younger and in school her grades were higher than his in every branch of learning. She became a poor man's wife and her mental exercises have been confined to small problems,

which are, however, sufficiently difficult to tax to the utmost the mental ability of the President. She only needs the knowledge of the facts, from which inferences should be drawn, to become equal to the President in international diplomacy. The daily economic problems of the poor are as difficult as those which are presented to the United States Secretary of the Treasury. The children of the poor inherit as much mental strength as his.

Talents, of the kind which are permitted to climb, have always been climbing up from below; and the supply remaining below, for lack of opportunity to climb, is apparently inexhaustible. The falsehood, that, "there is always a demand for more people at the top" is contradicted by the smallness of the top and the size of the multitude at the bottom. An army composed only of commanding officers, whether the war is bloody or commercial, has never existed.

All normal men are equal in their reasoning faculty; although they are *unequal* in their other mental powers, and are unequal in the possession of knowledge. The poor, driven through long hours, to their monotonous tasks, are ignorant; but the mental act of reasoning is the same in the most ignorant and the most learned. They equally assume, that, what has happened, will happen, when the same conditions are repeated. Any low wage-earner can make the "inductive leap" from a few facts of observation, to a universal inference. For example, he may scientifically leap to the conclusion that all crows are black; because all crows which he has seen and heard of are black. All scientists make the inductive leap in the same fashion. A wider knowledge of facts, and *not* the reasoning faculty, distinguishes the most eminent scientist from the city scavenger. The natural ability to reason is not measured by the number of facts with which the memory is stored. The reasoning faculty, in the days of Aristotle and Plato, was as strong as it is in our day when men have more facts, obtained from past observation and experiment, from which to draw

their inferences. The ignorant poor do not lack ability to reason, —they only lack information.

All men are unequal in the proportions and development of their other mental powers. Minds are as various as faces. Men are individuals; and each one of them is, in many particulars, unlike all other men. A far greater variety of occupations would be required, than can be permitted under the present economic system, in order to give employment to all varieties of natural talent. The world now has little use for any man's talent that cannot be turned into dollars. Man must consent to be put in a hopper and ground down, so as to fit into a money-making machine. They who are naturally, nearly shaped, that way are not hurt much. But they who are shaped by nature decisively for some other career, are hurt sorely, and many of them will not submit to it: they become loafers or worse. There are more peculiar talents taking their revenge upon their possessors and upon society in and close around the slums, than anywhere else. Detectives who try occasionally to outwit them when they become criminals, have sufficient evidence that they are not all dullwitted. The slums do not propagagate slums. The ancestors of the slums fell into it from *above*.

There are no hereditary divisions of the human family into permanent classes having superior and inferior mental powers. Mentally and physically we are the heirs of the whole line of our ancestry. The bottom and the top of society are represented in every man's blood. The fact that a parent's ears had accidentally been cut off, would not mean that his children would be born without ears. Ears might be cut off for generations and children would not be affected by it. The same is true of mental capacities. Take the stunted and ignorant children of the slum, out of the slum, give them pure air, nourishing food and favorable environments for two or three generations and the physical and mental powers which have been repressed in them, will be disclosed; showing what they really

were when clothed in rags and trying to find oblivion in the cheapest forms of sensualism. We inherit our mental capacities from the whole line of our ancestors just as we inherit our five senses. Eyes and ears of the very poor are equal to those of hereditary lords. The mental and physical capacities of a baby in a poor man's cabin are not inferior to those of a baby in a king's palace. If the two babies should change environments, it is probable that the child of poverty would think and act like the child of a king.

While every child has a mental inheritance received from the whole line of his ancestry, he does not receive from all of his ancestors equally. He is a new compound of hereditary traits. He is more than that: he is an originator of new tendencies within himself. Evolution depends upon individual variation, selection, and hereditary transmission. In the lower forms of life individual variation originates in the individual *unconsciously* and is involuntary. In man it is conscious and more or less voluntary. Each individual tends to become a distinct and a new variety of the human family. Every babe is an individualist of the most extreme type, and his elders have great difficulty in keeping him in the old paths as he grows toward maturity. Individual variation is necessary to progress. Under a Fraternal Individualism which would be possible when wealth and leisure are provided for all, when "getting a living" is no longer the chief end of man, a greater number of individual variations would be permitted and encouraged in the name of progress. Human progress would ascend to higher altitudes and advance in new directions undreamed of now. Individuality of thought and action would be encouraged to the utmost; but always in subordination to the common good or noblest conception of patriotism. The greater variety of talents would make possible a greater variety of material wealth for all. The "life more abundant," which Jesus favored and came to bring to men, would begin to dawn. The commonwealth, under The Other Economics,

would be as deeply interested in music, art, poetry astronomy and other achievements, as the United States now is in the few cents, per capita of the population, per day, which a few traders may possibly obtain by foreign trade.

Under the present economic system, which is nothing but a continuation of the competitive struggle for existence among lower animals, some individual variations not needed in that struggle have been permitted to survive. But they have a feeble and precarious existence and are always subordinated to "getting a living." Under the present system of mutual repression and plunder, how to get a living, is the one supreme problem for the common people. This is "meat-getting" and not life. It was Jesus who said: "Life is more than meat." We are not living, as yet, in the true sense of the word, and will not be living until we solve the problem of bread and meat getting; thrusting it entirely upon the shoulders of nature; harnessing the wave, the wind and the various forces that stand comparatively idle about us. To many people, who are well endowed intellectually, the present kind of a struggle is a bondage from which they long to be delivered. They have other talents demanding exercise which at present are of no value in the fight for the scarce medium—the almighty dollar.

Every man is more than a money-making machine or a cog in a wheel. The external universe is in the soul of any man to the extent of his present and future ability to comprehend it. The unknown within the being of any man is, at least, equal to the unexplored regions outside himself. Our drudgery and anxiety over things to eat and use are indexes to our lack of life. We have too low an opinion of ourselves and of our neighbors, however great may be their poverty. The image of God is in man! It were better to worship the souls of the poor more, and Mammon less?

We have in our possession the diary of a farmer's wife who died some years ago. She was one of those girls whose taste for intellectual pursuits was encouraged in the public schools

and who was afterward turned out to *crucify* her higher ambitions in the competitive struggle for a bare existence. We select the following extracts:

"January 6—Good-by, girlhood and schooldays! I am a married woman now. We are settled on our own farm. It will be ours when we can pay for it. I will do my work and read my Bible through every year. I will read a volume of history or science every two weeks, five papers or magazines a week, and some other book once in two weeks. I will keep right on growing in knowledge."

There was her program. Turn over a few pages until she gets into midsummer:

"July 10—Arose at five. Did a large washing. Cooked for farm hands. Knit the foot of a stocking. Churned and made five pounds of butter. Read several chapters in the Bible."

Turn over many leaves and see how her program fares some years later:

"December 27—I have not written since last May. We are making a desperate effort to lift the mortgage from our farm. We had forty cows and made cheese. To-day have been making soap. Have done little reading during the past year. How little I know! Time is passing. By the grace of God assisting me, I will gain some knowledge during the coming year."

Turn over another page, where she is in the middle of the following year:

"June 15—Have had the horrors! If I were more ignorant, I would suffer less."

Some time before her death she wrote: "O, that I had been content with the little things of life!"

They lost their farm. The husband toiled as hard as his wife did, was temperate in all his habits but he could not clutch dollars and hold them. In the delirium of his last sickness he was a teacher in some great institution of learning.

Under the present system of individualism, falsely so called, there is very little individualism for common people. The mental powers of this poor man and his wife were not inferior to those of the man who owned the mortgage on their farm and could be more merciless than they in driving a bargain, and could more easily sacrifice his *higher wants* in order to save money.

Wealth and abundant leisure for all, would not be as dangerous as poverty has been to all nations of the past. Men once argued against public education and organs in churches; but time proved their arguments to be groundless. In our country the common people are trained in public schools with little reference to a life of mere money getting. They obtain ideals from teachers who are in one of the learned professions, to whom, an aristocracy founded upon knowledge, is venerable, while, an aristocracy founded on money, is contemptible. This nobler sentiment would still continue to prevail in the minds of the majority and would be intensified, should material wealth become common. Out of this multitude would come a movement toward something better than a loafer's paradise. After receiving such a training in our public schools, our young people are turned out into work for which their education has *unfitted* them and caused them to despise. The majority must spend their waking hours in making, for instance, the one-hundredth part of a shoe, over and over again, until their monotonous task leaves them at the close of the day, too exhausted to engage in any other occupation. Thus, they are compelled to throttle every aspiration, but one;—a few cents a day added to their wages.

There is but little individualism enjoyed now by any class of people. No clergyman who has a heart in him, and a family to support, is an individual in relation to the message he delivers, and he cannot be until he is economically free. When, by giving two or three hours a day to industrial recreations he can have wealth and leisure for any *loved occupation*,

his message will be his own—if he loves the ministry. Any editor, who persists in being an individual, is likely to lose his job. The publisher, who hires his intellect and conscience for a price, is in the same situation.

The literary genius cannot write for his own gratification and for the entertainment and instruction of the few who can think thoughts like his. He, too, must become a literary hack, producing the stuff that will exchange for money to pay rent for shelter, if possible somewhere outside the slum. The thoughtful statesman cannot have and express his own opinions; if he does, he cannot get his living by statesmanship. The theater, which is one of the most powerful instruments for good that can be imagined, is now of doubtful utility because it is commercialized and, to that extent, brutalized. It should be a part of our common school system, and then, by common consent, it would become as moral as the common schools, without ceasing to entertain while instructing. Artists who may have the talent of Rubens are dashing off pictures for advertising Mother Smith's Soothing Syrup, or for the alleged funny pages of Sunday newspapers. The divine glory of human nature and its future possibilities are shown by the fact that nearly all of these sufferers resist the temptation to steal from their employers.

If any theorist imagines that babies born in working class families are loafers and must be driven to activity by fear of hunger, cold, nakedness and eviction from places of shelter, he has not become acquainted with babies in working class families. A working class baby who can creep and is learning to walk is engaged in very hard work. If anyone does not believe it, let him try to imitate all his movements for one day. Such hard labor is not hard for him, because he is led by his desire and is not driven by any kind of a lash. Healthy babies are not lazy. Therefore, loafers, unlike poets, *are made and not born.*

You will notice that the little worker is not creeping and

toddling about to gratify his stomach, like a chicken in a barn-yard. Civilized man has advanced so far beyond the cave that his appetite for knowledge has become hereditary, although it may have been awakened in primitive men by physical wants. The little child's great and ceaseless expenditure of energy is generally directed to enlarging his store of knowledge. He has everything to learn when he begins his researches, which are conducted in accordance with the same inductive logic that is used by older scientists. And, like other scientists, the more he learns the more he desires to know about the new world in which he is discovering himself and his relation to objects around him. All healthy babies are students, and if they ever cease to be students the cause is in the educational system, the social system, or in something *outside themselves*. The quest of students for knowledge concerning agriculture, manufacture, mining, and culinary science, if properly directed and utilized, would produce for society most of her needs to-day. All healthy workpeople, as well as their masters, would be students all their lives, if they had opportunity along beloved lines, and if the course and methods of study were determined by the tastes of pupils and were as various as their mental powers.

Taking the little one on your knee, you give him your watch to examine. He looks at it and examines it with his hands. He becomes acquainted with its color, weight, shape and density. Hold it to his ear, and he becomes eager to know what causes the strange sounds within it. And he will get into it and see unless you force him to stop, and then he weeps like an eager truth seeker, who finds a door of knowledge closed against him, and not because he imagined that those strange sounds were good to eat. The hunger for knowledge is as intense in the little children of the slum, as in the faculty of a university.

While studying human nature as it exists in a working class baby, assert your authority and use your superior power

to compel him to spend some hours doing nothing else but examining the exterior of your watch. You will have a little rebel on your hands, and within an hour he would murder you if he could! When the babe becomes a man and is a wage-earner we may expect his soul to rebel if he is compelled to spend ten hours a day making the same muscular movements, while his mind must be occupied with the same unchanging thought. Hunger and want have however conquered his rebellious inclinations as a general rule, and he works on through life a manacled being. The frequency of recurring labor revolts need not surprise anyone—rather their infrequency should surprise the thoughtful. Many men endure their bondage with a moral heroism which is infinitely more valuable than gold. But many of them think often of suicide, strikes, dynamite, theft, and intoxicating drinks which may help them to forget themselves and their loved ones, and give them a feeling of strength for to-morrow's hateful task.

If you experiment with a working class baby, you will notice that when you have held him too long to one kind of physical and mental activity, if you give him a change of occupation, his weariness disappears and he is active and happy. Monotony changes play into slavery; variety changes work into play. Idleness is not desired by any healthy child, woman or man.

You will discover another truth in your experiments which moral reformers need to know. As a general rule, when the little child is naughty it is because you do not provide him with a sufficient variety of occupations to promote his advancement in knowledge or skill. Therefore, in a wisely ordered industrial system the simpler and least attractive occupations should have a sufficient number of people taking turns in them that the time of labor for each would be very short, or the rewards should be great enough to make them attractive.

The moral faculties of the poor are equal to those of the

rich. The moral nature of the people in the slums is equal to that of the middle classes. It is true that more of the partially insane, whose presence would not be tolerated in well-to-do neighborhoods even if they could pay the higher rent, are conveniently allowed to drift into the neighborhoods of the very poor. It is also true that there are more physical, intellectual and moral wrecks in the slums, in proportion to the population, than in the more comfortable neighborhoods. But, as a general rule, the inferior moral character of the slum, as compared with the better neighborhoods, is caused by the severer tests which the moral nature of the very poor is compelled to endure. Two men may have equal physical strength, but one of them may stagger and fall beneath his burden because it is many times heavier than that which the other is carrying successfully. If the latter despises his fallen companion instead of helping him he is as contemptible as we, when we despise our unfortunate brothers and sisters in the slums and fancy that we are made of superior clay.

Dr. Simon N. Patten, Professor of Economics in the University of Pennsylvania, said in an address: "It is the income of families that determine their morality. Families on the lowest incomes have to bear the full burden which vice, disease and bad social conditions impose on cities. Each addition to income enables them to escape from some of those evils. Cities are divided into sections where those with similar incomes reside, in each of which the protection from city evils increase in proportion as the income rises. Families change their morality as their income permits them to change their location. A family on ten dollars a week has more morality and culture than its condition will permit its members to express. Give them twenty dollars a week and they will seek a better home in which both morality and culture improve."<sup>1</sup>

Wealth for all, when attained under The Other Economics, would *not* be morally dangerous. The theory that, the lower

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<sup>1</sup> The New York Times, May 14, 1911.

multitude of the working class needs the moral restraints of poverty and severe physical toil, originated in the attempt of primitive men to reconcile their germ of a conscience to their conduct when driving naked slaves to their hard tasks with whips and deadly weapons. Now the few who are on top in the modern unbrotherly conflict, and their salaried retainers, can argue in favor of this theory and against the demands of their own higher natures, with greater skill.

## CHAPTER XIII

### MORAL RESULTS

One, whose eyes are not blinded by a philosophy which sanctifies whatever is a financial advantage to the philosopher and to the small class to which he belongs or from which he obtains his hope of escape from the desperate struggle for existence which the majority must now endure, cannot read the newspapers containing daily accounts of crimes, of every description, without recognizing poverty and the fear of poverty as the principal cause, of which the crimes are the results. Newspaper reporters do not shape their reports in accordance with any theory concerning the cause of crime in general and they do not mention, as an item of news, the poverty of the criminal, or of his wife and little ones dependent on him for support. This is mentioned only incidentally as a part of the report.

Generally the burglar is a poor man and his average income is not greater than that of a common soldier's employed to defend the interests of a few capitalists engaged in foreign trade; while his physical courage is equal to that required in the army or navy. Let no one leap to the conclusion that we approve robbery by one man, because we affirm that robbery by millions of men, who elect a President or consent to a King, and agree upon laws to govern them in their robberies, is also wicked business. When we become personally acquainted with the burglar, we discover that he belonged to the great multitude of the occasionally employed, without which the present economic system will not work. The "demand" for goods being irregular, according to the season of the year and the accumulation of unsold goods, the

opportunity for obtaining work must be irregular, too. Therefore, an average of about one-fourth of the working class must be without employment. When a laborer is unemployed, income ceases; and when employed the average wage is about one dollar and sixty-five cents a day in the United States. If the rich and ruling class in our country should be suddenly reduced to that financial condition, Congress would declare war against some other nation for the purpose of robbery; although our politicians would apply to the bloody work a more pleasing name. Some real or imaginary insult to the American flag would be a sufficient pretext; and the patriotism of our workingmen would be aroused to cause them to kill and to be killed for the relief of the aforesaid favored few who began to be reduced to the income of an ordinary workman, and desired to escape the pinch of poverty. And this we say, not in condemnation of the fortunate few, but, of the system which will only permit a few to enjoy the blessings of life.

This is the financial condition of the workingman who becomes a burglar, and his mental processes by which he decides to become a burglar are about the same as those which have generally caused nations to engage in war. We are not excusing the burglar or highwayman; we are simply affirming that human nature in him is not essentially different from that of the nation under our present brutal system, and that, *the average burglar would become a good citizen if delivered from poverty.*

We do not permit our brothers and sisters, who must permanently endure the scarcity of common necessities, to die of starvation unless the starvation is *gradual*; and we do not imitate some savage tribes by killing the aged and infirm. Some of them we thrust into asylums for the insane (this is true, to a certain degree, in Oklahoma at the present date, and probably of many other states) and others who can consent to become paupers may live in a form of poverty only endurable

to those whose ambition and self-respect have been crushed. The healthy burglar is too heroic to become a pauper, and he would be arrested if he should attempt to become one. His wife may be an invalid and his little children may be sickly, because of the unsanitary conditions of the crowded quarters where they reside, from which they are liable to be evicted for nonpayment of rent. He has been seeking work, but it is the dull season and he cannot find it unless in broken jobs so far away that the railway fare to and from it leaves him nothing above expenses. The means of life are in the hands of others and he cannot get access to them, although many of them are unused. This situation is now causing Germany to prepare for war and brought Japan to the front, as one of the military powers. Therefore the burglar secretly resolves to engage in war; but he lacks numbers and is very unpopular. If physical courage is one of the distinctively human virtues, his virtue is glorious, for he is facing greater risks than were encountered by those military leaders whose names and deeds principally occupy the attention of historians.

Often the burglar has at last abandoned his family, believing that they would be better provided for by public charity, in the absence of an able-bodied breadwinner who is only occasionally employed and whose wage when employed is insufficient to support more than one person in a cheap boarding house. Although he feels a blind resentment against society for the wrongs which he and his loved ones endure, his conscience troubles him. Therefore he seeks arguments to silence his conscience and to enable him to enjoy self-approval. Anyone whose general intelligence is sufficient to enable him to become a burglar, cannot fail to invent a theory that will harmonize his conscience with his conduct. We have mentioned that, when the invention of the cotton gin caused negroes to be worth more to their owners than the cost of rearing them to maturity, slavery became a divine institution,

according to the almost unanimous opinion of clergymen in the cotton belt, although they were in no way inferior in moral character to clergymen in New England. Probably the inventive powers of the average burglar are not inferior to those of the clergymen. The average burglar believes that all men are robbers and belong to gangs which are either lawful or unlawful. Burglars, like all other men, are moral philosophers, and many of them can invent excuses for wrongdoing equal to those invented by an orthodox professor of political economy, to harmonize the present economic system of "grasping" with the principles of common morality. Both the burglar and the professor of political economy would cease to invent plausible excuses for grasping, should an economic system, based upon giving, be demonstrated in a Government Experiment Station, and prove that wealth and leisure could be attained by all employees of the Government. The burglar would at once cease to be a burglar and seek to be admitted to such an organization; and the orthodox professor would cease to defend the policy and morality of prices, profits and wages.

Our opinion about the morals of burglars should not be objectionable to admirers of Jesus the Workingman of Nazareth, who expressed a similar opinion concerning the criminal classes of Palestine. According to His opinion, they were more ready, than the rich and ruling class, to enter into His proposed commonwealth, the principle of which He stated in the words: "Give and ye shall receive."

Most suicides are caused by poverty or the terror of it. Read more thoughtfully the newspaper accounts of mothers who kill their little children before killing themselves. Such a mother is probably the reader's equal in moral character. Already, or in a short time, her husband, who is a common wage-earner, will be in midlife when he will be thrown aside for fresher victims of the labor market. Meanwhile his wage is only sufficient to buy a cheap mode of existence for himself. By a hard struggle the mother may add an average of fifty

cents a day to the family income. She knows what it is to bear and nurse children while engaged in such a struggle. Imagine the mental sufferings of such a mother, who loves her children more than herself, as even animals do. Love would naturally say: "It would have been better for them if they had not been born." This mother who kills her little children and herself, is, after all, doing what many political economists and theologians, by their *silent* approval of the grasping system, believe should be done by *some* means. They do not believe that a loving mother should do the alleged beneficent work. They prefer that it should be done by a nonmoral force or person, under some such law as that of the struggle for existence and the survival of the fittest fighters. If these political economists and moralists are sane, that poor mother who killed her little children and committed suicide was not insane. She simply made concrete application of their general principle, and her moral nature was as good as theirs.

Crimes like her's shall cease when poverty is abolished. And poverty can be abolished by a scientific demonstration of the wealth-producing principle applied to production and distribution. Perhaps this heroic and self-sacrificing parent, who committed murder and suicide, was insane. Perhaps the majority of the politicians, political economists and theologians are also insane, being hypnotized victims of an insane economic system into which they were born. More than one insane notion has become epidemic and has governed popular opinion many centuries after its origin. Witchcraft was one of them; the notion that money is wealth is another; while the theory, that the total product of wealth will be great and sufficient when all members of society strive to *give little* toward that total, is the most stupendous blunder of time.

Generally, we may notice that when the newspapers mention "poor health" as the motive leading to suicide, the victim was a poor laborer on whom others were dependent, whose financial distress would be increased if the breadwinner should

become an invalid. Sometimes he is a rich man, whose continued illness would wreck his business which needs his health and strength to defend it against his competitors. To commit suicide, and have his business closed out at once, would give better protection to his family against poverty. God only knows how much moral heroism is joined with this form of weakness and wickedness! Under *The Other Economics*, as we have shown, the fear of poverty for all who serve the commonwealth, could be taken away.

The cannibalism of the lowest savages is a heavenly virtue in comparison with the wickedness of the grasping system, highly evolved, in its effects on beautiful young girls among the very poor! An evil imagination, encouraged by philosophies concerning the sacredness of private ownership of the means of life, and the brutal law of the survival of the fittest fighters in the competitive struggle for existence, creates the false opinion that prostitutes are a distinct variety of womanhood, and that they are in their evil business, every one, because they prefer it to virtuous married life. This is untrue. The holy instincts of true womanhood are in these young girls in the crowded tenement houses of the very poor. This must be so, because many of them fell down, perhaps recently, from the upper circles of society. They love things beautiful and are as much disinclined to drudgery as are the daughters of the wealthy. The desire for things beautiful and the holy instincts of wifehood and motherhood cannot be extinguished in them by the distance of a few city blocks. The young sons of the very poor, among whom they must choose for the especial objects of their affections, are receiving wages barely enough to give a man a lodging place in a room crowded with other men, poor clothes, cheap adulterated food, and perhaps a few cents a week for the cheapest and most poisonous intoxicating drinks which help him to forget, for a time, where and what he is. The privilege of steady employment outside of the penitentiary, is uncertain. His young sweetheart is in the

same economic situation, with the exception, that, she must endure still lower wages. We admit that she should turn coldly away from love and her lover, for whom she would endure imprisonment and death. When she is out of work and hungry, and is standing on the pavement with her parents huddling with the other brothers and sisters, near some old unsaleable furniture, having been evicted from the one or two rooms that have been her home, she should resist the temptation, presented by the agents of the White Slave traffic, to temporarily escape from poverty and distress, by selling her virtue. She should endure hunger, cold, rags, and, ten or fifteen hours a day slavish toil, pursued by the fear of unemployment, rather than yield to temptation. While this is true, the English language does not contain words strong enough to express our abhorrence of the *sentiments of those moral teachers who excuse and defend an economic system which, through all past generations, has created the harlot and the slum, wherever it has built palaces for the few!*

The only sane way to abolish the White Slave traffic is to abolish its cause—the present economic system—which is the parent of poverty. And the same may be averred of the problem of intemperance, which will one day be recognized as economic, and not moral.

In primitive times, families combined into tribes and tribes into kingdoms in order to be more successful in raids for plunder, and to be better protected against their enemies. This eventually became a mental habit. The selfish origin of the habit was forgotten and patriotism became a spontaneous and generous impulse.

A similar result would follow in adjusting to an organization under The Other Economics. Although the selfish desire for material wealth and leisure would be the motive impelling the majority to conform to its new business methods adjusting to "giving," yet, after a time, the selfish origin of their habit of conduct would be forgotten and the mental act

accompanying their new business conduct would become spontaneous and unselfish, as patriotism now is. To those who are already capable of being ruled by benevolent desires, the introduction of The Other Economics would be a happy deliverance from bondage.

Christendom would become able to see the Higher Christianity which now it cannot see. The introduction of the reverse law of economics would transform the spiritual heavens and "make all things new." "He that would be greatest among you let him be the slave of all," working without wages as slaves do. Should this become the badge of honor and the object of men's esteem, soon the conception of God would change. Men would begin to say: "If God is truly great He, also, is the slave of all." Such, indeed, is the nature of God, for such is the nature of love. We see it in the mother who is the slave of her babe; and she does not sell her labor for a price. She knows nothing of rights, debt, and credit in her relation to her babe. God is equal to her in relation to *every human being*. If He should become visible in human form, his cradle would be in the stable with cattle or in some similar place of shelter for the very poor. His royal palace would be some home of poverty and want. But He would, again, begin to teach men the blessedness of adjusting themselves to that *other wealth-producing* principle on which He bases the government of His universe: "Give and it shall be given unto you: good measure, pressed down, and shaken together, and running over, shall men give unto your bosom." (Luke 6-38.)

His greatness would be of a kind unlike that which "the Gentiles seek"; (or the modern Jew, for that matter). The God, Who is unselfish and who really loves all men, has never yet been enthroned in philosophy, nor yet, in Christian theology. Men cannot "see God" as He really is, until they become "pure in heart," or, in other words, benevolent in motive. Our business system is the reverse of this. The economic system of grasping naturally causes the masses of

men to see a false Deity, who is an Almighty Grasper, self-centered, and as heartless as dollars seeking higher rates of interest. Immortality seems doubtful in the hands of such a Deity.

In the religious emancipation, under The Other Economics, the new viewpoint would disclose "the likeness of a man" upon the throne of the universe; and it would be the likeness of a good man; one who does not bear a grudge against anyone and "who sticketh closer than a brother" to all men and forever. Such a conception would be a mighty uplift to the masses. The knowledge of a mother's love is not morally dangerous to her children. The knowledge of the boundless love of God would be a greater moral restraint than all the jails now existing. Criminals do not believe that God really loves them and that His business principle, as stated by Jesus, is the reverse of that which now governs the economic world.

Under The Other Economics, when men live to give rather than to grasp, they shall "see God," and the vision will transform their moral character.

## CHAPTER XIV

### AN OBJECT LESSON NEEDED

Let the reader, who thinks our plan of a Government Economic Experiment too great a task for our government to attempt in the interests of the people, pause long enough to consider the stern fact that *something must be done soon* or the workmen, in ignorance, will carry out a program of their own fashioned after the tactics of the Independent Workmen of the World.

The crisis between capital and labor is not coming—it is here.

The program of the I. W. W., if carried out, would be far more expensive in blood and dollars than the peaceful and scientific test of The Other Economics.

There have been ideal theories since the days of Confucius, but never an experiment in any other system of economics except the present.

The theory that a steamboat could propel itself over water and carry freight and passengers was not accepted by the working class, nor the capitalist class, learned or ignorant, good or bad *until the experiment was made and was successful*.

Theory then became fact.

No new laws were needed to permit the experiment. Threats, acts of violence, popular elections, and acts of Congress were not necessary to cause the world to accept the truth of the proposition, that: a steamboat propelled by its own power can keep afloat and carry burdens. And nothing less than a successful experiment in The Other Economics can cause the past-bound, backward-looking majority of the rich and poor

to accept it, to the extent of abolishing the present economic system which has existed during the history of mankind.

We have shown, in Part First, that poverty for the majority is inevitable under the present economic system; and that Congress and all proposed reforms cannot give permanent relief while in subjection to it. (See Chapter III).

The object lesson, under The Other Economics, must be established by Congress, whatever political party may be in power; and be made independent of the business of the nation outside of it. It must, if possible, be made self-sufficient and produce goods for *its own members only*; in order to show how much product of every variety can be produced and delivered by the other rule of business. Should it become manifestly certain that, by virtue of the new system, their *minimum standard of living* should be equal, in use goods, to that of present-day millionaires, the people of the nation would then, as a whole, gradually adjust to that form of production and distribution without injustice to any.

We have shown that wealth and leisure for all servants of the common good, could probably be attained under The Other Economics. At least the proofs (which might be indefinitely extended) are sufficient to demand an attempt to create an object lesson.

To attempt to make an object lesson of the entire nation is visionary and impracticable; it must be eventually abandoned by Socialists and other radical reformers.

If the government experiment in The Other Economics should be successful, its universal practicability would then be accepted by all, as was the case with the steamboat after one was built and tested.

The world is now ready and waiting for an object-lesson in a more humane system of production and distribution. The doctrine of the Fatherhood of God and the brotherhood of man, is now accepted as a true ideal, by the civilized world

except in the realm of business. This is a big advance. The serving class are no longer regarded as "earth born and mortal" while only the ruling class are "heaven born and mortal." No influential individual would now object to getting worldly wealth by outwardly conforming his business conduct to the Golden Rule and the brotherhood of man. It is now unfashionable for very rich men to die without giving a part of their millions to some institution for the benefit of the common people. Their philanthropy is infinitely superior to the existing economic system, under which they have been compelled to conduct their business enterprises.

The world now awaits the practical philanthropist who will make a notable gift toward spreading the gospel of a government test of The Other Economics which will point the way whereby the work-people of the world may liberate themselves from poverty and its depressing fear.

All low wage-earners are compelled to engage in the same unbrotherly fight whereby the fortunate millionaire amassed his riches at the expense and impoverishment of the majority; their tactics are the same but they fight in a smaller way. They would gladly escape from poverty by The Other Economics, although it would require outward conformity to the law of giving. They would not be held back by any prejudice against the doctrine of the universal Fatherhood of God and the brotherhood of man. Public sentiment has changed during the past two thousand years more than we of this generation realize. Today, a little government commonwealth or community of interests with all its members trying to be brothers in the highest sense and doing no harm to the world outside of it, would not only be admired and protected but would become another institution of national glory such as our public school.

Men are morally superior to their present manner of conducting business. They are not wolves, except in the fight for prices, profits and wages. This is the big "prize-fight"

whose immorality is, as a Colossus, compared with the ring prize fight which so many moralists profess to abhor.

Civilized people, compelled to keep up repairs, pay taxes and support the government in war and peace, to provide against sickness and old age, seasons of panic and unemployment, and try to supply their mental and physical wants out of 95 cents per capita per day, which is all that is produced in Christian America,—deserve laurel wreaths of praise for being as humane, in their business conduct as they now are.

The object-lesson should be the nation in miniature, having access, without price, to transportation facilities and a sufficient variety of the bounties of nature that, a *circle of industries* could be developed, wide enough to furnish all the necessities of life to the employees and to enable them to eventually build beautiful homes and provide those manufactured luxuries now enjoyed by the rich.

Our most capable engineers, industrial experts, scientists, artisans and statesmen, of whom the world has known no superiors, should see that the proposed Economic Experiment is given every opportunity to prove the merits or the demerits of an opposite principle when applied to the production and distribution of products. If, after a reasonable period of time, the government reports concerning its Economic Station prove that the average condition of want among its employees has been, beyond a doubt, lessened and that the constant tendency is toward the further reduction of want, and that the abolition of poverty is due alone to the energies of the members of the Station plus the new economic principle of universal giving, then the problem of the ages would be practically solved.

By favoring the creation of such an object-lesson, on a small scale, but large enough to test the principle involved, the Socialist political party would show its confidence in its ideal, and convince the nation that it is not merely clutching for a larger share of the small margin of profit which others are making. And by the plan we propose, Socialism would be

able to bridge that vague gulf that lies darkly between its ideal and its achievement.

The fear that the Socialist party will get control of the government, and all private property that should be collectively owned be either bought by the government by issuing interest bearing bonds (and thus place the masses under a mortgage to a privileged class forever) or would be taken from present owners by force (and thus cause civil war, resulting in greater poverty for all), would be dispelled. Most men are able to see the impossibility of greatly increasing the per capita amount of consumption goods without lowering prices, profits and wages and causing panic, bankruptcy and unemployment. They know that all industries are close on the edge of "overproduction" at all times. They know that the Socialist party, or any other party, could not change this situation by a series of compromises with the present economic system, and that, the Socialist party or any other, in order to break away from the present grasping system would have to abolish interest, rent, private ownership of the means of life, the use of money or any substitute for a scarce medium of exchange and every idea of an *income* which could be accumulated for future use; for, these are interwoven parts of the present economic system and no one of them could be retained without reverting at last to all others. Such a program is too great to be attempted by an entire nation, without previous experiment, and too great for individuals to attempt without the powers of government back of them.

But, if a political party or a league of voters from all parties, acting as a balance of power in influencing Congress, should advocate the creation of an economic experiment station, having only a few thousand employees at work under The Other Economics, it would not be regarded as more dangerous than any other experiment in applied science, or the experiments now being conducted by the government in the interests of Agriculture and for bettering the condition of cattle.

If, after fair trial, the experiment in The Other Economics should prove a failure, this would be a demonstration that there can be no escape from poverty for a majority of mankind. If the experiment should be completely successful then both rich and poor would desire that all business should be reconstructed in accordance with it, as soon as possible.

If the estimates made in the preceeding chapters are only *half* true, the object lesson in The Other Economics would show the way to wealth and sufficient leisure for all who consent to the principle of producing goods for use instead of for a "selling price." All wage earners, and small capitalists would naturally give their labor and all they possessed for admittance into the new system. Millionaires use but a limited amount of products as they go through life, and, if it were demonstrated that the same amount of products could be produced for them by another method, they would not object to the system simply because it provided equally abundant for all others.

The very rich, as a class, would welcome the new system of business. They are not heartless. They are uncertain of the future and are making provisions against it. They are as philanthropic as the average working man. They do not enjoy seeing the poor in their poverty. They would vote in favor of giving wealth to all men as quick as the poor, if the happy result could be accomplished by voting.

After the creation of the object-lesson, the change to The Other Economics, by the nation as a whole, would not be difficult. This we will explain in the following chapter.

If, without the *definite* and well tested program of a Government Economic Experiment, the Socialist party, for example, should come into power and undertake to use the whole United States as an experiment station, and every important business proposition should be submitted to the people for decision at the ballot box, the nation would become hopelessly divided over questions foreign to the

knowledge and experience of the average voter. We have seen that the present system of prices, profits and wages would have to be abandoned and it would require a miraculous exercise of military power to compel the whole nation to consent to abandon it, unless an object-lesson had been first created, showing *how* to make the change to The Other Economics and what the results would be.

The creation of the object-lesson should, therefore, become the chief concern of all Labor Unions, Churchmen, social service societies, educators and moulders of public opinion and, in short, every patriotic citizen of whatever faith or occupation or party affiliation. No Congress can long withstand a petition, if the petition bears enough names of men and women who are in earnest. We would think that the organization of a well-endowed League, for the purpose of publicity and influence with Congress, would be an easy and effectual method of accomplishing permanent results.

## CHAPTER XV

### THE GOVERNMENT ECONOMIC EXPERIMENT STATION

The creation of the object-lesson in The Other Economics should not be a private enterprise. The money necessary to buy a sufficient variety of the bounties of nature for the circle of industries needed to produce homes, necessities and luxuries for their employees only, might be donated by a generous millionaire. The money necessary to buy access to the sources of raw materials for this purpose might be donated by the millions of work-people; for, the money spent in strikes would, in a few years, be sufficient to create the object-lesson that would result, as we believe, in the abolition of poverty and slavish toil. But, an experiment, on a scale large enough to enable the few thousand families to be self-sufficient and have no business relations with the outside world, would be most difficult to manage as a private or semi-private enterprise. There are precedents enough in this direction. There would be danger that, in a group of a few thousand men, however carefully selected, some impatient leader might arise and turn the experiment to his own immediate advantage regardless of the common good. Some religious, or other fanatic, having given or begged much money to start the enterprise, might control it in the interest of his hobby.

The experiment in The Other Economics must be purely a business enterprise, although it does agree with the holiest impulses of the heart. The reader has not caught the idea of the Experiment if he thinks that there would be wealth and leisure for any or all the members of the proposed Station and its Branches at the beginning of the work. Employees would begin with long hours of labor and with as

much hard and uncongenial work as is now required, on the average, in the various industries; for, otherwise it would not be a scientific test. Being a reversal of the usual principles of production and distribution, there would be no special privileges except those given as a reward of merit to those who had invented means and methods for displacing labor and in hastening the attainment of a higher standard of living for all. The money-lord, who might take it into his head to finance such an enterprise, would, of course, expect some special privilege and, should it be privately attempted, would demand such as a member of the organization; and not only for himself but for his friends; and soon the present system of grasping would rule the business of the experiment station.

In a Government Economic Experiment Station the national government would have power to enforce all rules of business required to test the other principle of production and distribution. It could enforce these rules in an experiment station, though, *not in the nation as a whole*, unless, at last, all citizens had volunteered for service under The Other Economics department of government. It is now exercising just such power. In agricultural experiment stations the government compels obedience to rules for agriculturists which the farmers of the nation cannot be compelled to obey. If all farmers were included in government experiment station work, of course they would have to obey the rules of the government; and, if they were getting abundantly more out of life, they would probably not object to this kind of subjection of their liberty.

The proposed Government Economic Experiment Station would not be contrary to the constitution of the United States and would not require any new laws except a bill authorizing the establishment of such an undertaking. Neither new laws, new inventions nor new human nature, are needed for this purpose. Transportation and distribution are lawful for the government within agricultural experiment stations.

It would be lawful for the government to include mining and manufacturing in these already established stations, if it so desired. But, in the Experiment Station which we propose, they would not produce goods to be offered for sale in the markets (as convicts are now allowed to do), and they would not be engaged in trade. All products would be kept for use within the Experiment Station. There would be no national loss, because, all the money expended would still be within the United States. If a success, it would not be an artificial expenditure for any class of men though, as history teaches, many other nations have seen the day when much artificial work had to be given to idle workmen—which labor when performed failed to relieve the recurring poverty of the workers. If a success, the Government Economic Experiment Station would not only give permanent employment to men, but would abolish their poverty permanently and point the way to its universal abolition.

Existing laws would permit a few thousand families to produce necessities and luxuries for themselves without engaging in trade with outsiders, as they permit the members of one family to produce and retain goods for themselves. Men are not now required by law to buy or sell.

It is lawful to pay and receive rent, and the use of money is lawful, but these could not be permitted in an experiment station testing the principle of The Other Economics. The government could prohibit them in such a place, as it now prohibits rent in relation to common roads, and as it prohibits certain methods of farming in its agricultural stations which are perfectly lawful elsewhere. No one now is permitted to receive rent from government property for his own private advantage. It is supposed to be used only for the common good. A recent decision of the Supreme Court makes it unlawful for a soldier to sell his clothes and one buying them is liable to a heavy fine and imprisonment. A soldier does not own his clothes for the same reason that he does not own his own

gun. The government is already compelling obedience in her "stations" and in the postal service, under penalty of dismissal from government service and forfeiture of all advantages that belong to such service. Dismissal from government service now, would not be as severe as from The Other Economics Station; on account of the higher standard of living obtainable there compared to the best average standard of living under the present economic system.

The rules which now govern admittance to the government civil service could be extended to a government experiment station, under The Other Economics. Admittance to service, and promotions, are determined by test examinations. *The experiment station would be likely to fail if governed by a majority vote* either of workmen outside the station or of the workmen, indiscriminately, within the station. We would hesitate to get aboard a train whose movements are governed by a majority vote of trainmen and passengers. Our proposed miniature industrial democracy should be about as democratic as the Standard Oil Company in the details of business, although organized for quite another purpose. Its business should be managed *not* by Politicians but by experts, chosen after test examinations open to all applicants at first, and afterward open to all members of the Experiment Station. This would be democracy enough for carrying out the details of the general principle. Government of the details of a *business* enterprise, either great or small, by a majority vote, even of Congressmen, is an absurdity too apparent to deserve more than a word. It is probable that Congress aided by the honorable President could not manage a blast furnace. Fortunately, Congressmen are wise enough to call experts to their aid when investigating details of business. Capitalists are equally sensible. They know that they would ruin their business if they should manage it themselves. Behind the curtain, someone else is doing the management and their brains are hired while the capitalist only becomes expert in selecting experts. In the Government Economic

Experiment Station, business, under The Other Economics, would be systematized and the best business methods now known for saving labor and re-employing it, (in increasing the production of scarce goods until they ceased to be scarce to the members of the experiment station), would be introduced into all operations, in the whole circle of industries and into the homes.

It would not be necessary to deprive any one of his constitutional rights, in order to start the Experiment Station and carry it forward.

There would probably be no difficulty in the government getting a sufficient number of volunteers for employment under the terms required in the proposed Experiment Station. The men who are now living in the neighborhood of mines, in shanties, needed by mine owners as a surplus of laborers from which to draw in busy seasons, and who must continually compete for a chance to work, (thus impoverishing themselves by holding wages down), would be happy, if invited to help develop a mine in the government Economic Station, with the assurance that they should have, for some years at least, steady employment, and would not have to pay rent, and should have as comfortable clothing and as much to eat as now, and, in addition, should have free access to the variety of goods produced by other workmen in every branch of industry as fast as they could be produced and delivered to them.

This assurance could be given to them without any change in existing laws. Soldiers, some persons in the civil service, and other persons in prisons and almshouses do not pay rent for shelter and it is lawful to give them steady employment, comfortable clothing and enough to eat. Millions of people in the United States would accept with joy the offer of employment under these conditions. Government service is honorable and the employees in the economic experiment station would be free to leave it when dissatisfied

and having donated their services could have no grounds for claims against the government for damages.

As in the construction of the Panama Canal, the work in the Economic Experiment Station could, if necessary, be done by *unskilled* men under the direction of a comparatively few experts. Hundreds of thousands will now toil at the hardest tasks for cheapest food and shelter and enough clothes to barely cover their nakedness.

But the skilled employees also would certainly appreciate the opportunity to attain permanent standards of living equal to those enjoyed by the present men of wealth. If the experiment should fail the government should see that the homes, machinery, factories and all improvements become the private property of the employees and be fairly divided among them, the government retaining the value of the property before it was improved.

This would be sufficient inducement for the skilled employees, who might not be confident that the experiment under The Other Economics would be successful. If the government should propose that all employees within the Experiment Station should receive no less than they received outside of it (and this it could do in view of the fact that the station would include a well balanced portion of every industry) the financial risk, for the nation as a whole in assisting in creating the circle, would be insignificant. But such promise would not be necessary. Men of skill as well as common laborers will venture upon probabilities, as they do when they go to the Klondike. The government would not incur even the risk of losing the value of a little of its unimproved property. Its value would not be less after the employees had added the improvements.

On the average, every two employees in the Economic Experiment Station should have three persons who are dependent on them for support; for that is about the average for the nation, as a whole, according to Census Reports. The

number of employees should be sufficient to represent the essential industries on a small scale, and in about the same proportions as they now exist. According to the Census Report for 1909, the average manufacturing establishment had about ten employees, including superintendent, and about three hundred lines of manufacture should be represented. This would require three thousand employees in manufacture. According to the Census Report, about one-twelfth of this number should be added for mining, about twice as many for agriculture, and about as many for domestic and personal service and transportation and distribution, as for agriculture. This would represent a population of thirty-eight thousand, including infants and those who are not occupied for gain. 300

The Economic Experiment Station, at its beginning, should be an example of what the nation is industrially. And then, by producing and using the best labor saving devices now known, the employees should displace and re-employ themselves as rapidly as possible. They would first produce common necessities, until they have as much of them as they can use. Then they should turn the remaining labor power to producing the desirable comforts, until they have raised the minimum standard of living as high as possible by the unlimited use of the best methods of increasing the productivity of labor and by *giving to the common good*, (not as a sentiment, but as the best business policy,) instead of grasping from each other. Thus they would become an example of what the nation could become by adjusting itself to an opposite business rule.

The cost of the Economic Experiment Station would be insignificant as an item in our national expense, for the reason that the government owns idle lands, undeveloped resources and unused water power for developing hydro-electric power. But we will assume that the government has none of these and must buy access to the bounties of nature in order to locate the various branches of the Experiment Station at different

parts of the country where they could exchange products with each other with the least expenditure of labor and where they could produce a sufficient variety of products. Seventy-six hundred families would require eight million dollars worth of farm property at fifty dollars an acre. This amount of land would be sufficient; for it would be cultivated in accordance with methods for increasing the product per acre now used in the Agricultural Experiment Stations, and they would only produce crops for consumption among themselves. According to the Census Report, less than four per cent. of this amount should be added for farm implements, and less than fifteen per cent. for live stock, to give the *present average* equipent for agriculture, making a total of \$8,920,000. A million dollars should buy undeveloped mines and quarries, sufficient for their own use. Another million should buy sufficient tools for making tools and as much power machinery as is now used, on the average, in the manufacture of consumption goods for each thirty-eight thousand of our population. This would bring the total to \$10,920,000. If we added to this amount one thousand dollars per family, to provide building materials for temporary dwellings and for food until the first crops mature, the total would be \$18,520,000 or, about a *half cent per week per capita of the population for one year*. Double the total to allow for expense not accounted for and *one cent per week, per capita of the population, for one year*, expended in a plausible venture to abolish poverty, would not be a bad investment even if it wholly failed. But, we have given sufficient proofs to convince thoughtful people that a happier result is more than possible. The probability of success is greater than that which inspires the beginnings of most business enterprises, private and national.

The cost of the Government Experiment Station would not be more than two battleships, which after a few years are outclassed by better fighting machines and may be used for targets in gun practice. An extensive strike costs many

times more, directly and indirectly, than the proposed Economic Experiment Station, and success for the strikers is always uncertain. Why should certainty of success be demanded in relation to this proposed plan for the common good? Some venture is made in everything else. The universal strike which is now preparing and which is inevitable, unless some fundamental change is made in our economic situation, will cause suffering, expense, destruction of property and bloodshed more than can be imagined. Its success in obtaining even a few cents a day permanently added to real wages will be impossible, while anarchy and civil war will be certain.

The insignificant expenditure which we propose in the interest of *peace* and for the abolition of poverty is, by far, the cheapest way out of trouble for all property owners today. It would certainly be cheaper and more hopeful than "confiscation" without hope.

And why should America do less for the wellbeing of her subjects than heathen China! History records instances when China, in order to relieve congestion in her large centers, went in advance and bought land, constructed cities and homes, equipping them completely at the government's expense, placing furniture in the homes and improvements on the farms and, in addition, donated one hundred acres of tillable land to each home *exempting all from taxation for three years*, to such citizens as would volunteer to leave their homes and circle of friends in the congested cities.<sup>1</sup>

After a battleship is built and equipped for service the cost of its maintenance is great in proportion to the cost of construction. But, the government would be nearly free from expense, in relation to the proposed Economic Experiment Station, after it was prepared for beginning work. Its employees, after the plant was constructed, could, from the start, produce for themselves a sufficient supply of common

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<sup>1</sup> The Economic Principles of Confucius, Chen-Huan-Chang, Vol. 1, p. 305.

necessaries. And *they* would make and use the additional devices for displacing and re-employing themselves, aiming to produce the highest standard of living with the minimum expenditure of labor time.

The government should give them the free use of its postal service, pay royalties to private owners of patents on machines and other privately owned rights needed in the Experiment Station, and give free transportation for products and for the employees when on duty or when they obtain leave of absence to visit their friends. Employees of the government station should not be treated as prisoners but should be given great honor and respect as pioneer ambassadors of the advancing Republic, who are creating an Object-lesson in The Other Economics for the benefit of the nation—and all nations

Convenient locations for the Government Economic Experiment Station and its branches can readily be found on our Atlantic and Pacific coasts and the navigable streams which flow into the ocean. Other convenient locations can be found on the Mississippi river and its tributaries whose waters flow into the Gulf, affording sufficient varieties of climate and bounties of nature. The industries of the Government Economic Experiment Station should become, as soon as possible, independent of railway corporations. Later, when the nation shall be organized under the Other Economics, railroads would be used for people and not people for the railroads. Transportation between branches of the Economic Experiment Station should be accomplished, at the earliest moment, by means of boat, auto-trucks, automobiles and short lines of electric railways *built by its employees*.

If it can be demonstrated that, by the aid of machinery, all kinds of labor required to provide for the present high standard of living enjoyed by millionaires *will not exceed two or three hours of physical toil*, it is assumed that most working men would not object to that much labor and would be will-

ing to volunteer their services if for no other reason than that of permanent peace and plenty.

When necessary, the employees in the experiment station could build their own railway cars and the government could pay the owners of railways for use of their tracks. But, if the first branches of the experiment station are as well located as is easily possible, this would not be required to any great extent.

The general rules, which should govern business within the Government Economic Experiment Station, have been considered in the chapter on "The Other Economics."

All that is attempted here is to give an outline of the general plan and present sufficient arguments to prove its plausibility and its importance to the race. Its practical application should have the attention of experts and specialists of the genius and ability of Col. George W. Goethals.

After the employees of the Government Economic Experiment Station have attained sufficient leisure and a minimum standard of living, (which is now regarded as wealth,) the nation would see that all its citizens could be provided with wealth and sufficient leisure for *other than industrial pursuits*, having been delivered so happily from the fear of poverty. The present motive—which compels men to get private possession of a large amount of the means of life to bequeath them to their widows and children to enable them to live on the toils of others, by receiving some form of rent,—would be gradually taken away. Each citizen would see a new way by which to become protected in the enjoyment of wealth and sufficient leisure—the new economic principle—the enforcement of which would become the nation's paramount issue. He would see a way by which to become richly endowed with that which would be better than the present government Bonds.

Under the new system, incentives to ambition *would not be less* than they are now, but more. We have presented

evidence in the chapters on "The Mental Power of the Poor" and "Moral Results" showing that the attainment of wealth and leisure for all, under The Other Economics, would result in that Fraternal Individualism for which noble men in all ages have yearned, but have been unable to attain; and that this attainment would start the world upon a new and larger epoch of enterprise.

We have shown that very little hard manual labor shall be needed when the best existing labor saving devices are *introduced into all operations in all industries*. None should be made the victims of the commonwealth's *lack* of inventions, but all should be penalized by sharing manual labor until relieved by the introduction of applied science.

Adjustment to the new business principle of "giving" will give rise to a new code of civil laws and give employment to the best legal minds, with this conspicuous difference: private rights to property will not be present to embarrass the rights of common good. Our present theory of government will then have genuine application, for there will exist no room for "graft" and personal aggrandizement.

After the superior wealth-producing power of the national "object-lesson" is proven, the change to The Other Economics by the nation as a whole would give real and valuable occupation to our public servants.

This change would be attended by intense excitement; for the civilized world can now be *convulsed* over the possible gain or loss of only a *few cents per day* per capita of the population, as is evidenced by Congress and the press relative to the tariff alterations. The possible attainment of *wealth for all* would cause the greatest excitement the world, in any age, has ever known. The exodus managed by Moses would be nothing in comparison with the rush of business men and laborers to escape from the present uncertain grinding life of competition. The government would have to regulate the expansion of the new business organization so that business, outside of it, would shrink rapidly and in *proper proportions*. The government could

not fail to be wise enough to see that applicants for admittance into the new business system should be received only as they are needed in perfecting *new units* and that, when they are received, they should be so selected from outside industries that they would shrink in equal proportion. The government could not be so unwise as to receive too great a proportion of active farmers, for example, which would cause a food famine for the portion of the population remaining under the present economic system for lack of opportunity to be admitted. While the use of money was being abandoned by an increasing portion of the population, all who were admitted into the new organization should be required to give their money, in trust, to the government in order that it might be withdrawn from circulation. Under the present economic system, money is a scarce medium of exchange, whose scarcity is regulated in one way or another to cause the requisite scarcity of goods exchanged. Too much money in circulation is as disastrous to business as too little. When, finally, the whole population of our country shall have become employees of the government, under The Other Economics, "scarcity of things desired" will no longer be the one objective condition of value to any American. No man would be able to get rich by perpetuating price, scarcity and poverty for other people. Then the automatic thief named money would be despised by its former owners and their victims.

We have, if anything, been too conservative in our estimates of the possible productivity of labor, under The Other Economics, by the introduction of the best labor-saving methods and machines into all operations in all industries.

They are, at least, approximately true. By examining the table of references, the reader will see that the data for the estimates have been gathered from government documents and technical books and magazines which are trustworthy, and from facts of common observation. It is, at least, probable that the creation of a comparatively inexpensive object-

lesson in *The Other Economics* would cause a bloodless revolution, resulting in wealth and leisure for all servants of the common good. If so, other national issues are of minor importance in comparison, and men should forthwith petition Congress to make a scientific test of the constructive principle of economics which we have termed *The Other Economics*.

The pioneer outline of *The Other Economics* is done. The cramped space of one book has compelled a resolute adherence to structural data and unadorned statements. Some repetitions have been made, where deflections from common economic doctrines were introduced, which, for the advanced student in economics, might have been omitted. The many kindred sub-themes that clamored for expression have been ruthlessly silenced. The many sociological problems which call upon the heart as well as the brain and are so intimate with poverty, the writer has left for others to treat in adjustment to the principles and plan outlined in this book. There is no pessimism in the spirit of the writer. A great hope illuminates the future. His labors shall not be in vain if some thought, herein suggested, hastens the realization of that hope.

## INDEX

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- Abolition, not evolution, way of escape, 43, 66.
- Aged and infirm, how employed, 194.
- Agriculture, see Ch. VI, Part II; profit in small, 71; in Massachusetts, 123; under The Other Economics, 194.
- Alcohol, for light and heat, 127.
- Almighty, not able to operate successfully present system, 42.
- Ambition, crucified now, 214; of the poor, 117.
- American Interests in the Orient, nature of, 77.
- America, how enlarged, 123; not now occupied, 123, 126.
- Anarchy, cause economic, 206.
- Apples, illustration in connection with middlemen, 33.
- Applied Science (see Labor Saving machinery), how introduced to advantage, 114; powers of mostly wasted now, 32, 85, 131.
- Aristotle, powers of reasoning in his day, 198.
- Army, the first need of, 102; cause for its existence, 38.
- Aspirations throttled by present system, 198.
- Automatic machines, 131; brick-making, 184; car lines, 173; concrete-making, 185; lumber, 183; mail handling, 137, 173; at Panama canal, 139; at Pittsburgh, Pa., 138; signals, 174, 177; stores, 178.
- Babies as students, 205.
- Back to the farm, 25; effect on real estate, 26; effect on farmers, 26; good only for a few, 27; motive for this issue, 26; reason for not going, 71.
- Balance of Trade, a delusion, 38.
- Bank-robbing as a vocation, 183.
- Black Death and its effect on wages, 22.
- Bleaching process, modern, 162.
- Blunders economic, 25-49.
- Boston, possible agricultural production near to, 122.
- Bounties of Nature, man's right to, 110.
- Bread-line, a modern phenomenon, 165.
- Brick, vitrofied, 184.
- Brotherhood, how hastened, 107.
- Buffaloes, possible uses and increase, 124.
- Bureau of Labor Statistics of Connecticut showing profits in twenty-two lines of business, 68.
- Burglar, an analysis of, 209; the cause of, 209.

- Business, dependent upon scarcity, 14.
- Butter making under *The Other Economics*, 153.
- Canadian Klondyke Co., 187.
- Canthook, illustrating a common error, 191.
- Canning machines, 132, 135.
- Capital, a bludgeon, 197; a new definition for, 112, 167; going to waste, 114; in farm and manufacturing in 1910, 51; "methods" counted as, 53; of no value if equally divided, 52; total of in all industries, 68.
- Capitalist, his economic identity with Socialist, 112, 44; not a producer, 113.
- Capitalistic State, folly of, 104.
- Cattle raising under *The Other Economics*, 156.
- Cave man inventors of present business principle, 181.
- Census Reports giving misstatements of real wealth, 21.
- Character, how changed, 107.
- Charity, effect on self-respect, 79; number dependent upon, 79.
- Chemical fertilization (see fertilization).
- Child, a new hereditary compound, 200; a scientist, 205; not a loafer if healthy, 204; of the slum, 205.
- Child labor, in cotton industry, 74; in America, 138; in Japan, 77; in glass factories, 138; under *The Other Economics*, 194.
- China, ancient method of eliminating grafting, 58; method of reducing congestion in cities, 233.
- Church, reason for advocating *The Other Economics*, 107; sin of her further silence, 107; the one thing lacking, 108.
- Civilization, its evolution, 102; meaning of the term, 184.
- Civil Service Commission of the Churches of Christ, investigation, 75.
- Class-hatered, an error, 51, 67; dangers of, 96.
- Clergymen, cannot be individuals in their message, 203; further silence dangerous, 96, 213, 215; under subjection, 61, 66.
- Clothing, how made, 161.
- Coal, amount used in making coke, 170; laborers employed, 170; machinery used, 168; quantity in sight, 125.
- Coke, produced in 1909 and men working, 170.
- Collective ownership of laborers, reason for, 111.
- Commercialism, the real war with the Orient, 77, 95, 122, 176.
- Commonwealth, the leap to difficult, 105.
- Communism, not another system of economics, 47.
- Competition, not a system of economics, 101; retained by some Socialists, 44, 103.
- Competitive struggle, beginning of, 13, 101; includes big and little grasp-

- ers, 104; results in small production, profits and wages, 16, 17.
- Concentration of wealth, in America, 82; in ancient Rome, 82; the cause of, 13, 84, 102.
- Concrete, materials ample for all, 187; the uses of now, 188; under The Other Economics, 185.
- Congress, investigating average Profits, 69; its impotency at present, 67; not so important as eggs, 158; troubled by little graspers, 103.
- Conquering the child, 183.
- Conscience prostituted by poverty, 61.
- Consumption goods, not increased by steam power machinery, 85; not socialized by some Socialists, 44; relation between marginal utility and quantity, 14; production of, limited now, 50; people sometimes forced to change kinds, 96.
- Consumer's League, purpose of, 33.
- Constitution of the United States in relation to The Other Economics Experiment Station, 226.
- Cooking, why sometimes bad, 146.
- Cooperation, not another system of economics, 104; affords no economic relief, 104.
- Cooperative grasping, original purpose of, 101.
- Cooperative Commonwealth, as the term commonly used, 104.
- Copper supply, 129.
- Corn, comparative yields, 123, 150; labor required under The Other Economics, 150.
- Cotton Industry, acres now under cultivation, 122; amount used in yard of cloth, 161; effect of cotton gin, 89; our per cent. of world's supply, 122; present poverty among its workers, 74; machinery for picking, 161; yield per acre, 161; under The Other Economics, 162.
- Cow, as a butter producer, 153.
- Crime, its cause economic, 36, 206, 209.
- Criminal poverty, its standard in Christian lands, 115.
- Criminals, the cause of, 114, 206.
- Crisis, conditions preceding, 13; our impending crisis not new, 97; not prevented by present proposed reforms, 25, 49.
- Culinary College, 145.
- Culinary Science, 145.
- Daily ration, in America if equally divided, 50.
- Dark rooms, number in New York, 79.
- Débt, prohibited under The Other Economics, 115.
- Delusions (economic), avoid idleness, 27; back-to-the-farm, 25; Communism, 47; elimination of Trusts, 35; elimination of middlemen, 32;

- figures and dollar marks, 63; foreign trade, 38; government control, 42, 43; morality of workmen, 41; minimum wage, 34; more efficient workmen, 28, 40; money and "balance of trade", 38; profit-sharing, 42; protective tariff, 38; theories of some Socialists, 44; single tax, 29; save as much as possible, 25; strike for higher wages, 29.
- Demand, effect of prices upon, 15; its relation to desire, 15; requires money, 16; the Orthodox definition of, 15.
- Desires, alone not exchangeable, 16.
- Destruction of products, when of advantage, 15.
- Destructive economics (See Grasping).
- Diary of a farmer's wife, 201.
- Dishes, how scientifically washed, 145.
- Dissipation, its economic value, 36.
- Distribution, scientific, 119, 172; under *The Other Economics*, 110; unequal, the cause of, 110; unscientific, 57.
- Distress of people, counted as wealth by Census Reports, 21; created six days of the week, 21; gives money-value to things, 20.
- Dollar mark, and the minus sign, 18.
- Domestic manufacture, in the Middle Age, 80; displaced, 93; displacement about finished, 94.
- Dwarf, the race an economic, 17.
- Economics, *The Other* (See also *Giving*), appeals to intelligent self-interest, 106, 114; automobiles compulsory, 115; aim: wealth and leisure for all, 116; anarchist under it, 116; adjusted to people, 112; crude or higher evolved, 101, 103; demonstration of, the first step, 106; demonstrated how, 219; displacement of laborers a benefit, 151; destroys incentive to theft, 120; donation of products and labor, 110, 119; effect of refusing to receive donations, 116; human progress attainable, 108, 115; key: applied science multiplied, 118; lightens the work of women, 143; mining coal, 163; methods of agriculture, 142, 147; methods for kitchen work, 143; never tested in past, 101; no prices or wages, 110; no incentive for graft, 120; no barter and trade, 148; new educational standards, 205; only one other principle, 101; proposed by only two thinkers, 47; providing recreation, 114; producing plenty, 115; producing wheat, 148; oats, 149; corn, 149; potatoes, 151; milk, 153; butter, 153; hay, 155; meat, 156; cotton, 161; linen, 163; sugar, 158; wool, 163; clothing, 164; hosiery, 165; shoes, 165; lace, 166; millinery, 166; reversal of economic principle, 101; requirements in order to introduce, 103, 105, 110, etc.; recognizes people as capital, 112; rule for distribution, 119; raising cattle, 156; poultry, 157; saving, 700% of labor time, 166; the "wide gap" difficult

- to bridge, 105; transportation, 172; town-building, 182; variety of tasks an economic good, 206.
- Economics, the present (See also Grasping), adjusted to perpetuating scarcity, 14; cooperating for grasping, 101; evolution of, 101; not easily abandoned, 105; prohibits certain amount of poverty, 115; regards things more than people, 114; system of grasping, 101; the cause of concentration, 101; unbalancing effect of inventions, 102.
- Economic systems independent of moral motives, 106.
- Economic antagonism, cause retained by reformers, 44.
- Economic theories, ideal and ancient, 218.
- Edison, Thomas A., automatic stores, 178; concrete moulds, 185; suggests no economic benefit, 178.
- Editors, dangers of further silence, 96; not individuals, 204; under subjection, 61.
- Education, a new system, 205; does not now mitigate poverty, 28; unfitting pupils for present system, 203.
- Efficiency of workmen, object of this gospel, 40.
- Effects, as cause of poverty, treated by many, 46.
- Electricity, generated by wind-power, 128; in the kitchen, 144; possible development on streams, 118; powers of the motor, 118; running a home, 143; running a farm, 142; waste of at present, 32.
- Ericsson, and sunlight power, 228.
- Evictions for non-payment of rent, 79.
- Evolution, applied to grasping, 13, 101; in man, conscious, 200; or grasping, a hopeless effort, 65.
- Exchange, not increasing products, 56.
- Factories, not supplied with big tools generally, 87.
- Factory-plan, cattle rearing, 125, 156.
- Failure of business men, per cent. of, 69.
- Fall River, cloth industry, 131.
- Farmers, Alliance, purpose of, 33; intelligence, when exhausted, 123; last state of, 83; their best friends, 86; under The Other Economics, 182; using machinery, 133.
- Farms, electrified, 142; game, 124; hired farms increasing, 82.
- Fertilization, atmospheric nitrogen, 123; chemical, 123; primitive method outgrown, 123.
- Food, cause of its scarcity, 125; might be produced by wasted labor, 160.
- Foreigners, ability to farm, 123; reason for restricting immigration, 36.
- Game farming, 124.
- Girls who fall, a close analysis of causes, 214.

- Giving system of economics (See Economics, The Other), and the ditch-digger, 87; bounties provided by the government, 111; Creator adopts this principle, 110; collective control of labor, 111; effect upon dock laborers, 74; extension of benevolence, 103, 107; in relation to simple tasks, 88; worked by automatic machinery, 74; not suggested by some Socialists, 44; not workable by one person or group, 105; requires intelligence, 106; discriminative giving, 106; sufficient bounties of nature, 106; giving only to those who cooperate in giving, 120; the trial of the new truth, 90; words of Jesus, 121; would evolve a higher Christianity, 216.
- God, economic reason for a false conception of, 216; abode, if on earth, 216; His economic principle, 216; not yet enthroned in philosophy or theology, 216.
- Goods for use versus goods for price, 105.
- Good people, the cause of sweat-shops and slum, 41.
- Goodness, how attained, 107; voluntary goodness God's chief attribute, 141.
- Government, form of, no relation to cause of poverty, 48, 105.
- Government Control, a delusion, 42.
- Government Ownership, a delusion, 43; already being tested, 43.
- Government Economic Experiment Station, aids given by Congress, 225, 234; cost to establish, 232; exercise of power and authority, 226; locations, 234; methods, 230; managed by experts, 230; nature of its construction, 231; not contrary to Constitution, 226; purely business, 225; production and distribution, 110; rules for admittance, 227, 235 (See 101 to 130); relations and rights of employees, 227; size of first Unit, 230; safeguards, 236.
- Grasper, big and little deserve sympathy, 23, 210; his object in politics, 40, 102; low aim, 40.
- Grasping System of Economics, a system of special privileges, 30, 49; adjusted to perpetuating poverty or scarcity, 13, 24; an idiotic endeavor, 185; anti-economic, 32; brutality of, not in individuals, 19, 22; cause of war, 24, 36; criminal in tendency, 22, 23, 41, 204; creates literary "hacks", 204; cannot be harmonized with morality, 41, 213; does not reward honesty morality or intelligence, 29, 40, 41; demands waste, 25, 49; develops impractical dreamers, 145; evolves downward, 25, 49, 185; evolves "fittest fighters", 185; flourishes in vice and immorality, 22, 41; forces old women to carry hod, 76; forces women and children into slime, 78; forces men to act like brutes, 36; forces statesmen to act like monkeys, 40; halts the progress of the race, 203; its evolution, 13, 101; its universal failure in the past, 48; its effect on Artists, 204; its effect on young girls, 214; illustrated by Robert Hun-

- ter, 20; intimidates Editors, Clergymen and teachers, 61; makes births unwelcome, 213; makes "things" of more value than people, 43; not adjusted to the majority, 14, 25, 49; ninety per cent. inefficient, 192; not effected by any proposed reform, 25, 49; only permits 95 cents daily per capita production, 50; production, enough for all, impossible, 14, 24; productive of panics, 54; people dare not reason about it, 61; political parties but tools in its hands, 61; perverts human nature, 183; perverts the theatre, 204; produces the harlot and slum, 215; prompts bad workmanship, 41; requires the suffering poor, 24, 26; requires the homeless, 24, 62; restricts introduction of inventions, 73; relic of barbarism, 195; suppresses talents and ambition, 183, 198, 201, 203; system of mutual plunder, 102; suppresses statesmanship, 204; sanctifies false philosophy, 209; thrusts aged into insane asylums, 210; thwarts temperance and morality, 41; unscientific in distribution, 56; where obtained, 19; war, its only relief to workmen, 36; waste in food production, 147, 160; waste of productive power of inventions, 30, 80; waste in restricted mental development, 202; will not admit of more intelligence or skill, 27, 28, 40; will not admit of more experts, 28; will not permit "plenty", 13, 24, 42.
- Greed differs from self-interest, 113.
- Guilt of teachers and preachers, 41, 212.
- Hereditary advance, 199.
- Heroism, where may be found best examples of, 183.
- High cost of living, indicates a more serious danger, 97; not to be remedied by eliminating Middlemen, 32; not effected by ordinary reforms, 25-49.
- High standard of living, how obtained for all, 101, 121; cannot now be obtained for all, 178.
- Hillquit, Morris, definition of Socialism, 44.
- Hippopotamus meat, 124.
- Homes, effect on business if all owned them, 24; materials for building inexhaustible, 130; properly constructed last ten centuries, 185; under The Other Economics, 185.
- Honesty of no effect on poverty, 29.
- Hosiery making, 165.
- Hours of labor, how shortened, 193.
- Human family, no hereditary divisions, 199.
- Hughes, Governor, on labor saving machines, 136.
- Human nature, cause of its perversion, 183; evidences of its divine glory, 204; now is ready for The Other Economics, 103.
- Humane Sentiment, thwarted by "Grasping System", 172.

- Hunger, a substitute for clubs of overseers, 102; for knowledge, in the slums, 198.
- Hydro-electric power, 118.
- Hypocrisy curing itself, 107.
- Idleness, economic effect of avoiding it, 27; fostered by ancient China, 58; hereditary privilege harms no one, 27, 58; not desired by normal man, 204; per cent. enforced, 78.
- Impending Crisis, 91.
- Individual, not a producer, 112; tendency under Evolution, 205; variation of talents needful for progress, 203.
- Individualism, falsely so called, 203; its futility exposed, 112; small amount today, 203; when trying to be a thief, 112.
- Incentive under The Other Economics, 114, 117, 182, 190, 201.
- Industrial pursuits reduced to recreation, 194.
- Industries (See Economics, The Other).
- Income, average in 1910, 52, 67; determines morality, 207; taxing incomes no economic effect on poverty, 29; the minimum that people will endure, 66.
- Iron ore supply inexhaustible, 129.
- Insanity, evidenced by war, 38; relative to money, 213; where most prevalent, 182; who is and is not, 213.
- Intemperance, its cause economic, 35, 41, 206.
- Interest, not possible for all, 25.
- Intelligence, when dangerous, 28.
- Intestines, why used in meat-packing, 78.
- Intellect regarded as sacred by Deity, 141.
- Japan, child labor, 77; nitrogen plant, 123.
- Jesus, economic advice, 141; His economic aim, 200; His "life more abundant", 200; His principle of business, 186; His opinion of criminal class, 212; in an age of concrete, 186; plant of peace not yet realized, 24.
- Kitchens, under The Other Economics, 144.
- Labor, free trade in, 38; hard menial labor the badge of society's stupidity, 115, 131; how to donate labor to advantage, 112, 120; how to shorten hours, 193; in relation to factory system, 93; saving 700 per cent. of labor time, 166; true sense of the term, 21; true definition of, 21.
- Labor Trusts, 35.
- Laborers, a commodity, 21, 35; blind to economic foe, 96; buy and sell themselves, 21; displaced by steam power; how re-employed, 91; how they might attain wealth, 190; when a blessing to be displaced, 151; reason for enforced idleness, 27; wage depends upon scarcity of laborers, 22.

Labor saving inventions, book making, 132; berry picking, 134; barge unloading, 136; butter making, 154; brick making, 184; cotton gin, 73, 162; carpet stitching, 131; canning, 132, 134; corn preparing, 134; corn planting, 149; chicken picking, 158; cane cutting, 159; cotton picking, 161; cranberry picking, 134; cloth making, 131, 162; clothes making, 164; concrete making, 185; do not increase wages, 81; do not increase average amount of consumption goods, 87; dredging, 135; displace more men than making of employs, 190; effect of Goths and Vandals, 96; electricity manufacturing, 138; embroidery making, 131; excavating, 135, 136; free trade in, 38; farming, 133; floor scrubbing, 133; farm, electrified, 142; give some employment in construction, 92; grain storing, 133; grading, 136, 137, 187; grain harvesting, 133; gold mining, 187; home helping, 144; hay harvesting, 155; hosiery making, 165; iron handling, 132; ice harvesting, 134; loading cars, 132, 133; lumber manufacturing, 183; mail handling, 137, 138; meat raising, 156, 157; milking, 154; milk bottling, 154; mining, 168; orange handling, 134; office work, 137; paper printing, 132; plowing, 151; potato peeling, 133; potato harvesting, 134, 151; pea hulling, 134; post hole digger, 136; power plant at Pittsburgh, Pa., 138; poultry raising, 157; present advantage of all such, 176; railways, 132; raisin handling, 134; road building, 136, 137; restaurant helps, 174; rock crushing, 135; sewing machine, 164; spinning, 131; street cleaning, 134; stone crushing, 135, 188; stump pulling, 136; ship helps, 137; salmon canning, 158; sheep shearing, 163; shoe making, 165; transportation, 172; trench digging, 135, 136, 187; vegetable planting, 152.

Lace production, value per wage earner, 166.

Laws, for whom originally enacted, 102.

Liberty, how obtained, 111.

Lime nitrogen, 123.

Linen, its possibilities, 122; new process, 163.

Loafers, made not born, 204; reason for, 182.

London fish market destroying fish, 21.

Love, superior to present system of economics, 216.

Lumber supplies, 130.

Luxuries, effect of one automobile, 53; people of the United States, 51, 53.

Machinery (See Labor Saving Invention); too much results in overproduction, 15.

Mail, delivered automatically, 138.

Man, his new productive power and his "old pay", 133; not a producer, 112.

Marbles, and methods capitalized as wealth, 52.

Marginal Utility in relation to quantity, 17.

- Market value of land under Single Tax, 30.
- Meat packing, rapidity of, 157; reason for employing children, 78; speeding the laborers, 78.
- Men, folly of good men, 103, 112; number required to produce "plenty" for all, 180-188.
- Mental capacity, inherited from whole line of ancestry, 200.
- Metamorphosis of society, 184.
- Methods, capitalized and counted as wealth, 51.
- Middlemen, do not effect poverty, 32; do the least harm where they are, 32; economic effect if eliminated, 32.
- Millinery, value per wage earner, 166.
- Mills, are of value, when product desired but not produced, 20; could not run full time if men were angels, 25-49; effect, if a part were burned, 20.
- Millionaire, does not possess or use much real wealth, 66; how all may possess equal wealth, 190; requirements to produce 1,000, annually, 54; the injustice of, 56.
- Mining, laborers employed in 1909, 170; under The Other Economics, 169.
- Milk, bottling machines, 153; method of production under The Other Economics, 153.
- Minds, children's scientific, 205; variety of, 200.
- Money, a delusion, 38, 64; a superstition, 61, 63; economic effect when plentiful, 117; insanity concerning same, 213; means of perpetuating poverty, 19, 63; not real wealth, 18, 63; object of, 18, 102; office of money, 64, 103, 54; produces nothing, 113; requisites in order to be money, 19; subject to the laws of grasping, 19; scarce for people, 19, 55.
- Money-value, depends upon the future, 63; fluctuation of does not change quantity or quality of goods, 62; its delusion exposed, 64; increase of various articles, 61, 62; its relation to meat, 51; its increase depends upon absence of real wealth, 18; not the measure of wealth, 16, 18; of land, is the measure of the number of landless, 18; of products in 1910, 51; of property, indicates poverty, 16, 51; two conditions necessary, 16; the measure of poverty of people, 18; wealth for all would destroy money-values, 18.
- Monopoly, definition, 15; methods and tactics same as individuals, 59; object of, 22.
- Monotony, its effects, 206.
- Moral sentiment follows economics, 106, 116.
- Morality reducing wages, 22, 41.
- Mortgages under Single Tax, 30.

- Mother, her love indicts the present economics, 216; the suicide, 212.
- Nations not profited by "foreign trade," 38.
- Navy, required to perpetuate poverty, 24; required to protect traders, 24, 38.
- New Hampshire and corn yield per acre, 123.
- Niagara, powers of, 118.
- Nitrogen, bacteria inoculation of plants, 123; for fertilization, 123.
- Norway, nitrogen plant, 123.
- Oats, labor required to produce plenty, 149.
- Object Lesson in Economics (See Government Economic Experiment Station), for the benefit of all, 109, 219; its relation to the outside world, 109, 219; preparing a revolution without bloodshed, 120, 219.
- Ocean, illustrating fallacy of Single Tax, 31; illustrating the fallacy of certain Socialists, 44.
- Orthodox Economics, descriptive only, 14.
- Overproduction, happens when more than 95 cents daily ration is produced, 50; how to escape it, 101; the cause of every panic, 23, 54; the great menace now, 26, 49.
- Palace, servantless, 143.
- Panama Canal, nearly automatically constructed, 139; not so important as national cattle ranch, 156.
- Panic, cause of, 23, 54; real wealth not affected by same, 55; too many on farms would cause it, 26.
- Parable on Foreign Trade, 38.
- Patriotism, originally a selfish motive, 107.
- Patten, Prof. Simon N., in relation to income and morals, 207.
- Peat, its quantity and uses, 126.
- Penalty for laziness, 163.
- Per capita daily production in United States, 50.
- Per capita income small, 52.
- Pein, Herr Emil, tidal utility invention, 127.
- People, are capital, 112, 167; effected by readjustment of economics, 112; required under The Other Economics to produce plenty, 180, 188; should use reasoning powers, 141.
- Pittsburgh Electric Power plant, 138.
- Plants, inoculated with nitrogen, 123.
- Plato, powers of reasoning in his day, 198.
- Plenty, impossible for all at present, 13, 24; possible to all under The Other Economics, 190.
- Poets born, loafers made, 204.
- Polite society exhibiting The Other Economics, 103.

- Political Parties, how to swing into power, 40, 54, 70; juggling with poverty, 40; their bribe for votes, 40, 65; tricks of, 70; under subjection, 40.
- Politicians like monkeys, 40.
- Population concentrates as wages decrease, 79.
- Poor, manifesting heroism, 183; moral heroism of, 207; moral nature of, 207; not mentally inferior, 197.
- Potatoes, average yield in Prussia, 151; cause of their increased money-value, 18; illustrating fallacy of Single Tax, 31; value of, rests in minus quantity, 18.
- Poultry, as raised under *The Other Economics*, 157; as now raised on Long Island, 157.
- Poverty (See also Grasping), and laziness, 79; a social disease, 115; a check to moral regeneration, 203; cause of, 13, 45, 51, 66, 71; criminal standards, 112; guilt in consenting to it, 115; increasing, 51, 74; in cotton industry, 74; in relation to sickness, 80; in England, 80; in Germany, 75; in Bohemia, 75; its effects, 115 (See Grasping); not to be abolished under "prices", 13 to 49, 67; not effected by education or skill, 28; not mitigated by willingness to work, 27; not cured by all saving, 25; not effected for good by strikes, 29; not effected by honesty, 29; not caused by individuals or trusts, 35; not caused by Profits, 67; not caused by Capitalism, 67; not effected by eliminating Middlemen, 32; not effected by present Socialism, 44; not effected by Single Tax, 29; not effected by Minimum Wage, 34; not effected by Government Control, 42; not effected by Government Ownership, 43; not effected for good by Foreign Trade, 38; not lessened by Communism, 47; on steam ships, 14; of many, manifested, 54; prostitutes conscience, 59; prohibited under *The Other Economics*, 115; scientific proof of, 13, 17, 50; unnecessary evil, 190 to 196.
- Power, electricity, 127; obtained from Alcohol, 127; obtained from air in falling water, 127; obtained from sunlight, 128; obtained from tides, 127; obtained from streams, 128; obtained from wind, 128; obtained from steam, 91.
- Power machinery (See Labor Saving Inventions), could be used in raising vegetables, 152; effect in Iron and Steel Industry, 89; little used, on the average, today, 85; reason for its sudden introduction, 89.
- Prices, high, diminished demand for goods, 14; induces destruction of real wealth, 19; of laborers increased by immorality, etc., 22, 41; prevents introduction of inventions, 85; same if no Middlemen, 32; varieties of poverty necessary thereto, 14.
- Private Property, object of, 102; the origin of, 102.
- Progress, checks to, 13, 25 to 49; how attainable, 101, 109, 225; its only gains, 48, 184.

- Problem, the great one today, 26, 49.
- Products, average daily per capita production of, 50; decreasing, 51; donated to advantage, 109, 225; left to the rule of "competition" by some Socialists, 44.
- Property, not diminished by Panics, 55; not increased by exchange, 56.
- Prostitutes not a distinct variety of womanhood, 214.
- Protective Tariff, its injustice, 38.
- Profit Sharing, a delusion, 42.
- Private Ownership, a bludgeon, 197; the wrong, 55, 56.
- Profits, average less than ten per cent., 67; caused death of domestic manufacturing, 93; how diminished, 68; in agriculture small, 71; impossible under The Other Economics, 109; not the cause of poverty, 13, 67; on sugar refining, 69; on Foreign Trade, 38.
- Productivity of labor, does not increase wages, 73.
- Prison labor, productive powers of, 160.
- Public Schools, educating away from present system, 203.
- Railways, building of, about finished, 95; number of miles in 1899, 91; number of cars, 91; ton-mile rate, 70.
- Regeneration of men, hastened by an economic change, 107, 113; independent of a system of economics, 106; regenerated men, now slaves, 102.
- Real estate, its value dependent upon poverty, 18, 20, 62.
- Relief from poverty, amount offered by Single Tax, 30; how obtained, 101, 109, 225; none for the majority under "grasping", 13, 25-49.
- Real Wealth, products, 52, 55, 62; smallness of at present, 60.
- Rental value under Single Tax, 29.
- Rent, defined, 15; dependent on poverty, 24; effect upon, if all owned homes, 24.
- Resources, 122.
- Revolt, its origin, 183, 205.
- Ricardo's formula for inferior wages, 15.
- Rome, Began like the United States, 82; concentration of wealth therein, 82; had same system of economics as present, 82.
- Saving, good for few only, 25; its bad effect on business if generally obeyed, 25.
- Scarce medium (See Money).
- Scarcity, its incentive destructive, 13, 22, 23; must be permanent, 14; necessary to money, 19, 55; necessary to products, 13 to 25; none in supplies of nature, 122; none for materials out of which to make Experts, 112; of laborers, increases wages, 22; of real estate, gives its value, 18, 20, 62; reasons for maintaining it, 13 to 24; some exceptions to general rule, 23.

- Scavenger and the most eminent scientist, 198.
- Seed, powers of right selection, 123.
- Self-interest, attracted by *The Other Economics*, 106, 190; its relation to greed, 113.
- Self-love holy as love, 113.
- Sewing women, before and after the sewing machine, 73.
- Shoe making, modern methods, 165; persons engaged therein, 165; time required to make a pair, 165.
- Sheep, as raised under *The Other Economics*, 163.
- Silk, its possible cultivation, 122.
- Single Tax, analysis of, 29; cause of its confusion, 125; does not propose change of economics, 29; effect on various values, 29; fallacy proven, 29; total benefit offered, 30; workable for all only by magic, 30.
- Skill, dangerous for all, 28.
- Slavery, defended by Clergymen, 61; modern white and black, 102.
- Slums, how propagated, 119.
- Social metamorphosis, 184.
- Socialism as advocated by some, an impotent claim, 112; common error of, 112; economics same as Capitalism, 44; fallacy of, 104; false ideas, 104; imperfect program, 44, 71; present need, 223; socialized grasping, 44, 104; socializing tools only, 44; should favor an experiment of their ideal, 223; the delusion of some Socialists, 105.
- Social unrest, the cause of, 79.
- Sparta, killing workmen when too numerous, 22.
- Speeding, why objected to, 40.
- Spinning, power machinery, 162.
- Standard Oil, dividends on value of its shares small, 70.
- Starvation, when proper, 210.
- Statesmen, not free, 204.
- Steel Trust, nature and extent of its wealth, 59.
- Steam Power, displacement, 85; its modernness, 85; restricted use of, 85; the first patent, 91; the first locomotive, 91; the overcrowded labor market, 91; the first Railroad, 91; wasted largely at present, 85.
- Steamships, stokers on same, 74; when first built, 92.
- Stokers, on steamships, 74.
- Strikes, do not effect poverty, 29; how to be of value to strikers, 29; the plunder of the many by a few, 29.
- Study, the cause for, ceasing, 201.
- Suicide, cause economic, 206, 212; close analysis of, 212.
- Sugar, product in 1909, 159; production under *The Other Economics*, 159; profit in refining, 69.
- Superstitions, money-value, 52, 55; productive capital, 113; surplus-values,

- abstract values, etc., 62; that money is "stored wealth," 63; that money makes money, 63.
- Sunlight, as a power, 128.
- Talents, individuality of, 198; why largely suppressed, 201.
- Tariff delusion, 38.
- Taxes, the folly of Income Tax, 51; the folly of Inheritance, 51; the folly of Single Tax, 29, 51.
- Teachers, advocating delusions, 25 to 49, 62, etc.; further silence dangerous, 97; their true aristocracy, 203; under subjection now, 61.
- Telegraph and Telephones, rapid advance, 92.
- Tenement houses, required by a grasping system, 26; typical American, 76.
- Texas, if occupied, 123.
- Theatre, its proper place, 204.
- Theft, cause economic, 206; incentive, how destroyed, 190; no proof of appetite for theft, 80; why criminal, 116.
- Theology, not yet enthroned God, 216.
- Thief (See Burglar).
- Thieves, cooperating, 104.
- Theories, ideal, ancient, 218; should be demonstrated, 218.
- Tide, utilized for power, 127.
- Trade, cause of war, 38; largely waste of time, 57; object of, 56; substitute for direct robbery, 102.
- Tramps, a benefit under a grasping system, 58.
- Transportation, under The Other Economics, 172.
- Trusts, dissolution of, no gain, 35; necessity for, 49; of laborers, 35.
- Truth, the trial of the new, 90.
- Unemployment, enforced, caused by introduction of steam power, 91; dock laborers, 74; half could produce plenty for Nation, 171, 180; number in 1900, 185.
- Unrest, social; cause of, 79.
- Value, abstract value, 62; dependent upon scarcity of products, 13 to 25; objective condition, 14; of farm property and implements, 51; of land under Single Tax, 30; rental value of property under Single Tax, 30; of homes, 62; subjective condition, 14; the superstition of surplus values, 62.
- Variety of occupation, its good effects, 206.
- Virtue, how attained, 107; of a burglar, 209; sold under grasping system, 214.
- Vision of Christianity, the new, 216.
- Wages, declining in the United States, 81; declining, causes population to congest, 79; effect upon, by occasional employment, 78; increased by

war, dissipation, crime, 22; increased by lack of nourishment, 22; increased by lack of safety appliances, 22; increased by immorality, 22; not increased in six hundred years, 80; taken out of products, 50; Ricardo's formula for inferior limit, 14; the average, 28.

Wage system defined, 14 and 15.

Wage workers, average unemployed in 1900, 180; blindness of, 40, 59, 60, 61, 62; condition worse than in Middle Age, 80; competing against convicts, 88; during English history, 80; in England before factory system, 80; in European countries, 75; in iron and steel industries, 80; monopolists to the extent of their ability, 23; no hope for, under grasping economics, 13 to 25; now privately owned, 59; of Stokers and Sailors, 74; of cotton spinners and sewing women, 73; pay all profits in foreign trade, 40; sell themselves cheaply, 87; the number employed with big tools, small, 86.

War, an hereditary form of insanity, 38; cause economic, 36, 40; caused, in a manner by democracy and education, 28; cost of, 53; the motive for, 40, 177, 210.

Waste, by Middlemen, 32; harmless under a grasping system, 57; in retail methods, 172, 178; in suppressed talents, 183; in using wood for building, 84; of powers of applied science, 85, 131; of labor, 131, etc.; of people in prison, 160; of people too old to work ten hours a day, 194; total, 192.

Water "melon", average cutting not large, 69.

Water, generative power, 127, 128; productive power, 124.

Wealth, a virtue, 116, 122; estimated per capita, 52; for all, and its effects, 117; fictitious sort, 56; if equally distributed would vanish, 18; its concentration in Rome and the United States, 82; "methods" counted as wealth, 56; mostly invisible and intangible, 56; material, the lowest form, 117; new definition of present wealth, 59; not the cause of Rome's fall, 82, 117; of the rich, does not effect poverty, 51; smallness of, 59, 65; the reason for its stigma, 116; total wealth counts out the many, 62.

Wheat, average yield in Great Britain, 148; production of, under The Other Economics, 148.

Wickedness, caused by a grasping system, 102.

Wind, powers of, 128.

Women, breaking stone, carrying hod now, 76; under Government Ownership, 43; under The Other Economics, 141, 190; wages in making clothes, 73.

Wool, its possible production, 122; how produced under The Other Economics, 163.

Work-people, not their own, 111.







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a get goods at cost -

sell surplus to b

b sell to 1000 at market + distrib.  
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